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Statute on Collective Peacekeeping Forces Amended

MM2803142995 Moscow ROSSIYSKAYA GAZETA in Russian 25 Mar 95 First Edition

[Text of "Protocol to the Agreement of 24 September 1993 'On Collective Peacekeeping Forces and Joint Measures To Provide Material and Technical Support for Them'"—from the "Economic Union" section, p 5]

[FBIS Translated Text] The CIS member states,

guided by the Agreement on Collective Peacekeeping Forces and Joint Measures To Provide Material and Technical Support for Them of 24 September 1993, hereinafter referred to as the Agreement,

in order to extend the powers (functions) of the commander of Collective Peacekeeping Forces in the Republic of Tajikistan regarding the command and control of the designated military units and subunits, have agreed on the following:

1. To prescribe that in his activity the commander of Collective Peacekeeping Forces in the Republic of Tajikistan is guided by the Statute on the Joint Command of Collective Peacekeeping Forces ratified by the said Agreement.

2. To word Section II, Point 3, Paragraph 5 of the Statute on the Joint Command of Collective Peacekeeping Forces as follows:

"to make autonomous decisions in a specifically developing situation when operations (combat operations) are being carried out, and to subsequently report to the heads of state and defense ministers of member states."

3. To add the following paragraphs following Paragraph 11 of Section 2, Point 3 of the Statute on the Joint Command of Collective Peacekeeping Forces:

"to collaborate constantly with representatives of the United Nations, the Organization on Security and Cooperation in Europe [OSCE], and the missions of other international organizations when they are located in a conflict zone, as well as with the Standing Consultative Commission for Peacekeeping Activity Under the Council of CIS Member States' Foreign Ministers;

"to determine a procedure whereby representatives of the United Nations, the OSCE, and the missions of other international organizations carrying out peacekeeping activities can, at their request, visit military contingents of Collective Peacekeeping Forces in a conflict zone;

"to provide representatives of the United Nations, the OSCE, and the missions of other international organizations carrying out peacekeeping activities with information about the Collective Peacekeeping Forces' combat and numerical strength and their deployment, missions, and methods of carrying out these missions in the necessary volume for them (the representatives) to fulfill their functional duties;

"to participate in the making of decisions on rendering and distributing humanitarian aid to the population and on delivering and guarding it;

"to coordinate with the defense ministers of states parties to the Agreement questions regarding the selection and placement of officers assigned to staff Collective Peacekeeping Forces from battalion commander up."

4. This protocol comes into force according to the procedure stipulated by Article 14 of the Agreement.

Done in the city of Almaty 10 February 1995 in one original copy in the Russian language. The original copy is stored in the Republic of Belarus Government Archive, which will send a certified copy of it to every state that has signed this protocol.

CIS Developments in March Summarized

MM2803142095 Moscow ROSSIYSKAYA GAZETA in Russian 25 Mar 95 First Edition

[Article by Mikhail Shchipanov: "March Theses: This Month Brought Quite Specific Results"—from the "Economic Union" supplement p 1]

[FBIS Translated Text] This month was not marked by summits or similar high-profile events at the level of Commonwealth development.

Incidentally, one feature of the visible CIS routine is quite clear—there is a growing trend toward the formation of "interest groups" within the Commonwealth and a growth in the role played by bilateral agreements that are open for other CIS members to join later.

The five presidents of the post-Soviet Central Asian states again returned to the age-old problems of the Aral Sea area, while the vice premiers of the "big customs troika"—Russia, Kazakhstan, and Belarus—met in Moscow to elaborate specific measures to implement the Customs Agreement. The presence of Kazakhstani representatives at each of the "restricted [uzkiy] conferences" testifies yet again to the considerable diplomatic activity that has currently been launched by Almaty within the Commonwealth. The presentation by Kazakhstan of its own plan—considerably different from the Russian version—for a free trade zone reflected to a certain extent the essence of Almaty's "Eurasian approach" toward relations within the Commonwealth, which is designed to somewhat efface Russia's role as the main dominant presence in the CIS.

Incidentally, Moscow by no means considers such options to be a challenge to its own political line. The Moscow conference of vice premiers confirmed this thesis yet again—the endless quest for compromise should not delay the practical implementation of agreements, turning them into outright declarations of endless intentions.

Incidentally, the creation of a free trade zone without customs obstacles is clearly designed to be a model for the solution of specific problems such as the gradual expansion of the range of participants in the project, which has been begun by two or three CIS states. At least two Commonwealth members—Kyrgyzstan and Tajikistan—have already expressed willingness to join with Russia, Belarus, and Kazakhstan.

Nobody these days is scared of European terms such as "two-speed Commonwealth" or "CIS hard core." Moreover, these terms that are typical of the EU have become part of the speech of the leaders of the post-Soviet area.

It is quite obvious that the Commonwealth—among whose members there are clearly several wait-and-see countries—could quite easily gain a collective locomotive consisting of a few countries whose closer and more trusting cooperation could serve as an example to the waverers to draw some definitive conclusions about where they stand.

The emphasis on development—primarily in the form of bilateral or trilateral agreements—reflects the quite reasonable desire to make urgent projects more dynamic and to avoid unnecessary disputes and trouble, particularly at the formation stage. After all, it has long been no secret that alongside Russia and Belarus, which have made large strides down the road of economic reintegration, commonwealth members also include Ukraine and Turkmenistan, which have been the most restrained when it comes to expediting mutual convergence throughout the former Union.

Incidentally, March could have been the month of Russia and Ukraine in the Commonwealth. Since it seemed at the start of the month that the question of the signing of an interstate treaty on friendship and cooperation had been virtually resolved and that all the vexed questions had been finally settled. But the joy expressed in Kiev about the "triumph for Ukrainian diplomacy" proved somewhat premature. The sides did not dramatize the situation for the umpteenth time, but it was clear that purely political decisions presented as "breakthroughs" and the lancing of old boils will not bring success. The only thing that, clearly, should be noted is that Russia and Ukraine have managed to considerably narrow the range of unresolved and uncoordinated issues. Moreover, there cannot be any unilateral triumphs—either Russian or Ukrainian—in relations between immediate neighbors.

And there is one other nuance to the CIS that has not been particularly remarked upon. The plan to build an oil pipeline from the field in northern Kazakhstan across Russian territory to a Russian port on the Black Sea coast has been virtually agreed. In a previous issue of "Economic Union" we noted that the breakdown of the traditional system of oil and gas pipelines, many of which run across Russia, is also dangerous because it is leading to the destruction of the general transportation system. And this system undoubtedly remains one of the factors that makes the post-Soviet area more cohesive. It cannot be ruled out that this thesis too is gradually finding understanding. After all, by building an oil pipeline across Turkey and Iran, we might gain on distance, but lose out in many other regards.

March is ending and April is beginning—a month of preparation for a new summit. In Minsk.

ITAR-TASS Carries Press Review for 29 March

LD2903075595 Moscow ITAR-TASS in English 0627 GMT 29 Mar 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow March 29—Russian President Boris Yeltsin's initiative to call on U.S. President Bill Clinton and propose complete nuclear disarmament was natural and timely when made in Ryazan, ROSSIYSKAYA GAZETA said. It further explained that Ryazan, the first stop on the itinerary of the Russian president's trip across the country, was a city like many others in central Russia but its industries include radio-electronics, machine-building, ferrous and non-ferrous metallurgy, the newspaper says.

Presidential aide Aleksandr Livshits, who accompanied the president on the first leg of his trip, said banking structures were becoming increasingly involved with the defence sector, "suggesting an idea about the Russian Government's new steps in pursuing its policy of conversion".

ROSSIYSKAYA GAZETA carried an interview with Vice-Premier Nikolay Yegorov, who is also minister for nationalities and regional policy, who discusses prospects for the elimination of the Chechnya crisis. He said solutions would be sought regardless of Dudayev's ambitions and only in line with Russian federal laws. There is a committee for national reconciliation. There is a provisional government for the transitional period. Moscow will support them and will not cater to the whims of small-time politicking individuals. As concerns forthcoming military operations, the minister stressed the importance of pushing the Dudayev rebels from the plain into the mountains.

TRUD also covers the situation in Chechnya. State Duma member Vladimir Lysenko says in trud that war in Chechnya must be stopped. "It is the civic duty of the leaders of the warring sides to begin search for sensible compromise solutions after putting aside their political and personal ambitions".

KRASNAYA ZVEZDA (RED STAR) give a front-page coverage to the State Duma debates about the draft law on measures to man the army. At present, the Armed Forces of the Russian Federation have only 75 percent of their statutory number of men, and the number is expected to shrink even further by the end of this year unless emergency measures are taken, the newspaper says. This would place the combat ability of the armed forces into doubt. "Astonishingly, none of the Western countries has an attitude to its army resembling ours," the newspaper says. It blames the situation on the fact that Russia does not have a concept of its national security setting out the country's views on the structure of its armed forces in case of a future war. But this does not imply that the army should be left to cope with its problems by itself, RED STAR says.

Commander of the 14th Russian Army Aleksandr Lebed sets forth his own views on the role of the army in the present situation in the newspaper PRAVDA. "The army is a conservative instrument, which is very good. The army is the guardian of power, which is wonderful. The army is a custodian of patriotism, which is as it should be. The heat of patriotism may be buried under ashes but it cannot be extinguished," Lebed says.

KRASNAYA ZVEZDA comments on the developments around the Japanese extremist religious sect Aum Shinri Kyo [Shinrikyo]. It noted that sect leader Asahara is not the only one who is trying to recruit followers in Russia. Moscow is brimful of Krishnaites and followers of other "exotic" religions. It would good if their newly-proclaimed prophets were paragons of virtue and high moral standards. But it is not so. Russian television for months aired programmes of a sermonizer who was known at home, in the United States as the central figure of a number of sexual outrages. The newspaper says the government is obliged to shield Russian citizens against anything that might do serious harm to their "spiritual health and morality".

NEZAVISIMAYA GAZETA discusses the threat of fascism in Russia. It says the country is not "doomed to fascism but it is no longer insured against it".

RABOCHAYA TRIBUNA marks the third anniversary of the inter- parliamentary assembly of the Commonwealth member-states. It says "the CIS parliament in St. Petersburg has become "not only a good school for legislators of the member-countries of the Commonwealth of Independent States but also a venue where former citizens of the once-single country meet in an atmosphere of friendship, tolerance and understanding which helps solve many problems".

ROSSIYSKAYA GAZETA publishes an open report of the Russian external intelligence service "the nuclear non-proliferation treaty. Problems of prolongation".

NEZAVISIMAYA GAZETA congratulates Nikita Mikhalkov, the first Russian film director whose film, "Burned by the Sun", was the first to be awarded an "Oscar" in the United States since the demise of the Soviet Union.

ROSSIYSKAYA GAZETA comments on the Turkish army anti-Kurd operation in northern Iraq. The massive assaults on the camps of the Kurd workers party began after their leaders declared they would not permit the building of an oil pipeline from Azerbaijan to the Turkish oil terminals in the Mediterranean, the newspaper says. "It is clear that the interests of Turkey and many Western countries participating in the project of the century on the Caspian shelf undoubtedly coincide," the newspaper says.

Israeli, Russian Satellites Fall Into Sea of Okhotsk

LD2903105795 Moscow Radio Rossii Network in Russian 1000 GMT 29 Mar 95

[FBIS Translated Excerpt] There is still no contact with the three satellites launched yesterday from the Plesetsk cosmodrome by a Start booster rocket. Here to comment is Konstantin Lantratov, observer for the Videokosmos production team.

[Lantratov] This was the first launch of a six-stage Start booster rocket, created on the basis of the Topol ballistic missile, known as SS-25 in the West. Topol has acquitted itself in the missile troops as a very reliable system. Under the treaty on strategic weapons reduction, some of the missiles were to be destroyed, but instead of blowing them up a decision was taken to equip the missiles with three additional stages and a new guidance system, and use them to launch lightweight satellites. A lighter version of the rocket, codenamed Start-1, was tested successfully two years ago.

But yesterday's launch of a fully equipped rocket turned out to be a failure. The fifth stage went off spontaneously, and two Russian satellites and the Israeli (Gurvintechsat) apparatus fell into the Sea of Okhotsk. [passage omitted]

Commission To Investigate Failure of Rocket

LD2903113195 Moscow ITAR-TASS in English 1115 GMT 29 Mar 95

[By ITAR-TASS correspondents Anna Bakina and Viktor Gritsenko]

[FBIS Transcribed Text] Moscow March 29 TASS—"The launching of a 'Start' rocket with two Russian and one Israeli sputniks on board, effected from the Plesetsk missiles testing ground on Tuesday [28 March], proved abortive," ITAR-TASS was told by a member of the commission that has already been set up to look into the reasons of the failure.

The most probable reason for the unsuccessful orbitting of the three sputniks, effected for the first time with the use of a super-light six-stage hard fuel carrier-rocket "Start" (a modification of the military "Topol" missile), was a fault in the operation of the fifth stage of this experimental rocket, launched by the Russian strategic missile forces from Plesetsk. The fault prevented the orbiting of the sixth, so-called finalizing stage, containing the three space vehicles. As a result, the fifth and sixth stages assembly strayed to an uncalculated trajectory, entered the atmosphere's dense strata, and ceased to exist supposedly over the Sea of Okhotsk.

"However, no economic sanctions will be demanded by Israel for its sputnik, and by Mexico, whose equipment was installed on one of the Russian space vehicles, because this is not stipulated by the concluded agreement. Moreover, the Thermal Technology Institute, which had developed the rocket, will get an insurance of about half a billion U.S. dollars for the abortive launching," ITAR-TASS was told here today by Yuriy Yashin, chairman of the Russian state committee for supervising the flight tests of the "Start" rocket.

He said that this was an experimental launching to test the rocket. Israel and Mexico, which placed their sputnik and equipment on the "Start" rocket, were aware of the probable risk. "The state commission will get films of the flight on Thursday, which will explain the entire situation," Yashin added.

The press centre of the military space forces refused to comment on the unsuccessful launching, saying that it was effected by the strategic missile forces.

Chernomyrdin, Gore Discuss Aspects of Fifth Summit

LD2803182695 Moscow ITAR-TASS in English 1721 GMT 28 Mar 95

[FBIS Transcribed Text] Moscow March 28 TASS—Today at 1930 (Moscow time) [1530 GMT] Russian Prime Minister Viktor Chernomyrdin and U.S. Vice President Albert Gore had a telephone conversation on a mutual agreement.

During their talk both sides discussed various aspects of the conduct of the fifth summit—the joint Russo-American commission for economic and scientific-and-technological cooperation, the press service of the head of the Russian Government reported.

The two sides agreed that the earlier adopted decisions were being successfully fulfilled and the preparation for the forthcoming meeting is being carried on at a steady pace.

Black Sea Air Force Warns of U.S. 'Spreading its Interests'

LD2203154095 Moscow INTERFAX in English 1404 GMT 22 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 22 (Interfax)—The Black Sea Navy's Air Force commanders believe that "the fleet's aviation is being threatened by the irrational reduction of units, logistic support bases and by political rivalry between the nationalist- separatists and reformers of Ukraine and Russia." The appeal they addressed to the CIS heads and parliaments Wednesday points to imbalance and disparity "on the southern and south-western flanks of the operatively strategic zones." According to the signatories, "the correlation of air forces, their preparedness and air bases in Turkey and Greece, belonging to NATO, have changed and put the Commonwealth countries at disadvantage."

Naval pilots claim that the U.S., "which is spreading its interests eastwards, dictating its terms to independent sovereign states," wishes that Russia and Ukraine would become militarily weaker than other countries.

They urge CIS lawmakers "to drop mutual grievances and mistrust concerning collective defense and border protection, keep the Red Banner Black Sea Navy united, and preserve its key element—the naval air force with all its structures and bases."

They also deem it necessary "to form a single center to coordinate national air force actions".

U.S. Said Curbing Russia's Part in Export Control

LD2803131695 Moscow ITAR-TASS in English 1227 GMT 28 Mar 95

[By BUSINESS-TASS]

[FBIS Transcribed Text] Moscow March 28 TASS—A dialogue with the leading Western countries on Russia's participation in the creation of a new multilateral export control structure is developing with difficulty, Rustam Safaraliyev, executive secretry of the Russian Commission for Export Control (exportcontrol) and deputy head of the Russian federal service for currency and export control, told BUSINESS-TASS.

All countries recognise the need for Russia to join the process as soon as possible, he continued, but it is the stand of the U.S. and some other countries with regard to Russia's military-technical cooperation with Iran, which is the main obstacle to it.

The multilateral export control system is being created to replace Cocom [Coordinating Committee for Multilateral Export Controls], which was set up by Western countries during the Cold War times for limiting the deliveries of strategically important goods to the former CEMA [Council for Mutual Economic Assistance] countries.

We believe cooperation in the sphere of export control should be that of equal partners, without infringing upon the national interests of any country, Safaraliyev said.

The Russian Commission for Export Control has been functioning for three years. It includes representatives of the key ministries and institutions of the country. It is headed by Deputy Prime Minister Oleg Soskovets. The work of the commission is of an interdepartmental character. Its task is to ensure the supremacy of state interests over those of individual institutions or groups during the decision-making on various problems of export control, which are directly connected with national security issues.

Egyptian Paper Cites Yeltsin on Nuclear Arms, Clinton Visit

NC2803110095 Cairo MENA in Arabic 0730 GMT 28 Mar 95

[FBIS Translated Text] Cairo, 28 Mar (MENA)—Russian President Boris Yeltsin has stated that his country wants a definite decision to remove all nuclear weapons before the end of this century, and wants the removal and destruction decision to be implemented within 10 or 15 years of the beginning of the next century.

In a meeting with representatives of six international newspapers representing the seven big industrial nations [as received] and Egypt, the latter in its capacity as the representative of the Arab world and the Third World, Yeltsin said that any position contrary to this will mean standing against the trend of the entire human race.

In the meeting, in which Egypt was represented by the newspaper AL-AKHBAR, Yeltsin said Russia is now moving toward a new phase of deeper reforms, and, at the same time, intends to achieve further integration with the CIS, especially Belarus, Kazakhstan, and Ukraine.

He said the Russian leadership expects no emergencies, such as coups and riots, this year, although news media occasionally speculate on this.

On U.S. President Bill Clinton's visit to Moscow, Yeltsin said the American President will make his visit this year, but the date has not yet been fixed. He said military operations in Chechnya are not an obstacle to the visit.

Yeltsin added, in his meeting with representatives of world media, that he agreed to Clinton's request to modify the protocol of his visit to Moscow to avoid a military parade being staged in his presence.

The Russian president reaffirmed the expansion of NATO to include East and Central European states [sentence as received]. He said this will lead to a return to the policy of blocs.

Lukin Says Situation Unfit for Early START II Ratification

MK2803080095 Moscow SEGODNYA in Russian 28 Mar 95 p 1

[Report by Vladimir Abarinov in the "Oracles" column: "The Duma Will Not Rush Over Ratification of the START II Treaty. Vladimir Lukin Believes It Is Too Soon for Russia To Abandon the 'Ultimate Argument'"]

[FBIS Translated Text] The State Duma International Affairs Committee does not intend to hurry over the ratification of the Russian-U.S. Strategic Arms Reduction Treaty START II. This was announced, in response to a question from SEGODNYA's correspondent, by committee Chairman Vladimir Lukin at an informal meeting with a group of journalists.

The strategic situation, the lawmaker noted, "looks rather bad." In addition to threats to Russia's strategic interests in the south and the Transcaucasus, a territorial dispute with Japan and bilateral relations problems with Ukraine and the Baltics, Mr. Lukin pointed to the absence of a new, reformed army and to NATO's approaching Russian borders "in a unilateral manner." Under such conditions, he said, "care should be taken about a last-resort argument." START II is only one parameter of global security. According to Lukin, the problem of flank quotas under the CFE treaty and military integration of the CIS countries should also be regarded in this context, too. If our partners in the West do not want to discuss these matters in "close context" with European security, Russia should pursue integration within the CIS "more energetically." "I would not venture," the parliamentarian stated, "to submit START II for ratification in a situation when we are not being reckoned with."

According to Mr. Lukin, NATO remains primarily "a huge military machine, created for military solutions." NATO is not the West, he stressed, but a remnant of the Cold War which was directed against the Warsaw Pact. Therefore Moscow occupies not an anti-Western but an anti-NATO position. The alliance, according to the chairman, is "absolutely ineffective under the new conditions: This organization struggles not against threats, but for survival at taxpayer expense." Meanwhile "Russia has shown itself to be more effective than NATO in peacekeeping."

Accordion to Lukin, at the upcoming Russian-U.S. summit meeting Boris Yeltsin should give firm assurances that parliamentary and presidential elections will be held "at least as scheduled and in a more or less fair way." At the same time, he stressed the compelling need "to compensate for a diplomacy of personal affection" with serious and concrete negotiations.

FIS Supports Foreign Ministry Stance on NPT Extension

LD2203195695 Moscow ITAR-TASS in English 1917 GMT 22 Mar 95

[By ITAR-TASS correspondent Olga Semenova]

[FBIS Transcribed Text] Moscow March 22 TASS—"The fate of the Nuclear Non-Proliferation Treaty (NPT), the 25-year term of which expired on March 5, 1995, has a direct bearing on Russia's national security interests," Russian Foreign Intelligence Service spokeswoman Tatyana Samolis said on Wednesday.

The announcement followed a question why the Foreign Intelligence Service and its head, Academician Yevgeniy Primakov did not spare effort and time to prepare a impressive report concerning the extension of NPT.

The report, which is expected to be presented at a press conference at the Russian Foreign Ministry on March 23, will be made public ahead of the NPT review conference to be held in New York on April 17.

Russia's position on the issue is well known—addressing the 49th session of the U.N. General Assembly Russian President Boris Yeltsin made it clear that Russia favoured an unconditional and indefinite extension of the treaty. This opinion is shared by more than one third of 172 member- countries. However, some countries want to make such an extension conditional on certain terms, while others speak out against it. There is still a large group of countries which have not made up their mind yet.

Drawing on open and classified information, the report gives the Russian Foreign Ministry a powerful argument in favour of the extension of the treaty. "We help support the foreign policy pursued by Russian diplomacy. This is one of the most important tasks of the foreign intelligence," Samolis said.

Kozyrev Seeks Extension of Nonproliferation Treaty

LD2803154795 Moscow ITAR-TASS in English 1543 GMT 28 Mar 95

[By ITAR-TASS diplomatic correspondent Andrey Urban]

[FBIS Transcribed Text] Moscow March 28 TASS—The indefinite and unconditional extension of the Nuclear Non-proliferation Treaty [NPT] is one of Russia's chief foreign policy aims. Before flying to Cairo on Tuesday, Russian Foreign Minister Andrey Kozyrev told reporters that this topic will also be on the agenda of his conversations with leaders of a number of Arab states.

"Russia is striving to untie a complicated knot of problems connected with the preparation and holding of a conference of parties to the Nuclear Non-proliferation Treaty", the minister said. He said it is now essential to ensure that Middle East countries do not create problems regarding the treaty's prolongation at the conference but, quite the contrary, join in its work on a balanced basis.

Another important problem on which the Russian foreign minister will conduct negotiations during the visit is overcoming the tension in the Middle East. "The Middle East settlement comes up against great difficulties", Kozyrev said and noted that this is the reason for his Middle East tour. It is not accidental that the visit will begin in Egypt, a traditional partner of Russia, Kozyrev said. He believes Egypt plays the key role in promoting the quest of peace settlement of regional problems.

"We are in touch with American 'co-sponsors' of the Middle East settlement", Kozyrev said. "It is apparent now that the efforts of one sponsor are not enough to step up the negotiating process". He noted that in Geneva U.S. Secretary of State Warren Christopher fully agreed to merge efforts with Russia to speed up the solution of the Middle East problems.

Paper Summarizes FIS Report on NPT Extension

MM2803155295 Moscow KRASNAYA ZVEZDA in Russian 28 Mar 95 p 3

["Abbreviated account" by Manki Ponomarev of Foreign Intelligence Service report on problems of extending

Nuclear Nonproliferation Treaty: "Four Scenarios of Russian Intelligence. Report on the Problems of Extending the Treaty on the Nonproliferation of Nuclear Weapons"—first two paragraphs are editorial introduction]

[FBIS Translated Text] The 25-year term of validity of the Treaty on the Nonproliferation of Nuclear Weapons [NPT] has expired. A conference of representatives of the 172 states that are party to the treaty is meeting in New York 17 April on the question of extending it.

A strenuous struggle has long been under way over the terms and time frame for prolonging the NPT. Various opinions are being expressed, and different proposals are being made. This has prompted the Russian Federation Foreign Intelligence Service [FIS] to analyze the application of the treaty on the basis of open and closed sources, to assess its pluses and minuses, and to forecast possible versions of the behavior of individual states at the conference in New York. FIS analysts have published their views and conclusions in the special report "The NPT. Problems of Extension." We publish an abbreviated account of this report.

The report points out that the NPT, which was opened for signing 1 July 1968 and came into force 5 March 1970, and to which 172 countries are now party, including all the nuclear powers, is not only the sole actually existing basis for curbing the spread of nuclear weapons but also a universal, widely recognized world basis. For Russia the fate of the NPT will not only affect its strategic policy of ensuring international security but will also have a major impact on the interests of national security: The emergence of new nuclear countries on the Russian Federation's borders would pose a real threat, destabilize the situation in the "near abroad" zone, and make it necessary to review the guidelines of Russian defense policy. Such an assessment was heard in the Russian Federation president's speech at the 49th UN General Assembly session, in which he unequivocally advocated the termless and unconditional extension of the treaty.

FIS experts consider the moment that the NPT came into force the starting point for nuclear disarmament. The treaty's coming into force did not end the quantitative and qualitative buildup of nuclear combat systems. But the treaty prohibits states that possess nuclear weapons from transferring them to anyone or helping other countries to produce or acquire them. It obliges states which do not possess nuclear weapons not to produce or acquire them and not to accept any assistance in the production of nuclear weapons, as well as to place all their nuclear activities under the control of the International Atomic Energy Agency (IAEA). FIS analysts believe that these principles have mainly been implemented.

Just two years after the NPT came into force the USSR and the United States took the first step to curb the nuclear arms race by signing the Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms (START I). Other Soviet-U.S. accords also helped to reduce the nuclear danger—primarily the ABM Treaty. But until the mid-eighties the actions of the nuclear powers in ending the nuclear arms race were insufficiently effective. The steady growth of their total nuclear arsenal continued. A qualitatively new step was taken in 1987 as a result of signing the Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, which for the first time provided for the destruction of specific types of nuclear arms. The nuclear powers' actions started to shift from the sphere of limiting the nuclear arms race to that of real nuclear disarmament. The 1991 and 1993 Treaties on the Limitation and Reduction of Strategic Offensive Arms provide for the levels of both countries' strategic nuclear arms to be lowered by a factor of more than three. Russia and the United States are also unilaterally implementing a program to reduce their tactical nuclear arms.

In the very near future the agenda of international talks will probably include the question of elaborating accords both on the further reduction of Russian and U.S. strategic nuclear arms and on involving the other countries of "the nuclear five" in the process of nuclear disarmament. The development of positive trends can be perceived in the start of the talks on concluding the Comprehensive Nuclear Test Ban Treaty, in the abandonment of nuclear explosions by four nuclear powers (with the exception of China), and in other international actions. This makes it possible to conclude that the negative trend of the nuclear arms buildup, which started with the NPT's coming into force and was observed during the long period of its validity, has finally been broken. It is possible to state that the nuclear countries are really honoring the main pledges that they adopted under the NPT in the sphere of ending the nuclear arms race, ensuring the political, scientific, technical, military, and geographic narrowing of the sphere of the spread of military nuclear technologies, and limiting the nuclear ambitions of individual countries.

The FIS report points out that the tendency for nuclear arms to be reduced would not have happened at all if the NPT had not ensured the limitation of the sphere of the "geographic proliferation of nuclear weapons." The treaty defined and, in the main, limited to its framework the circle of countries in possession of nuclear weapons. A substantial contribution to strengthening their nonproliferation regime was made by the really existing IAEA mechanism for ensuring international control over the NPT parties' observance of their treaty commitments. By the end of 1994 the IAEA had approximately 100 agreements with the participant countries on full-scale guarantees and had carried out something like 33,000 inspection visits to over 500 nuclear installations.

The NPT mechanism showed its effectiveness and efficiency in conditions when one of the nuclear superpowers—the USSR—was breaking up. With the nuclear states' combined efforts, Ukraine, Kazakhstan, and Belarus officially agreed to eliminate the nuclear arsenals on their territory and to subscribe to the NPT as nonnuclear states. Approximately 600 strategic nuclear weapons [boyezaryady] have already been withdrawn from Ukrainian territory to Russia. The withdrawal of nuclear weapons from Belarus and Kazakhstan is proceeding successfully It is planned that by the end of 1996 not a single nuclear weapon will be left on the territory of these countries.

The NPT and the results achieved within its framework have prompted many states to strengthen the nuclear nonproliferation regime at the regional level. The South Pacific region has been proclaimed a nuclear-free zone (the Treaty of Rarotonga). A nuclear-free zone in Latin America is proclaimed by the Treaty of Tlatelolco. The foundation has been laid for the creation of a nuclear-free zone in Africa.

The approaches worked out within the NPT framework have also had a definite impact on countries which are still refusing to join it or which would like to pull out of it. Thus, the agreement between Pakistan and India, which are not parties to the NPT, not to attack each other's nuclear installations and the subsequent exchange of lists of such installations have largely become reality under the influence of the treaty. The DPRK's withdrawal from the NPT and Pyongyang's tearing up of the agreement on IAEA guarantees have been averted.

Summing up the available data, the FIS specialists reached the conclusion that, but for the NPT, the number of countries possessing nuclear weapons in the mid-nineties would have been considerably greater. At the same time the treaty has created a basis for all-around cooperation in the sphere of the peaceful use of nuclear energy.

Nevertheless, the NPT itself and the practice of implementing it are not devoid of defects and shortcomings. The chief of these shortcomings stems not from the substance of the treaty itself but from the fact that it does not fully embrace the states of the world community. There is still a group of countries which elaborate their own military programs and, in this connection, do not subscribe to the treaty on principle. This group includes Israel, India, and Pakistan, which, making use of their nonparticipation in the NPT, have de facto become possessors of military nuclear systems. In the FIS experts' opinion, the existence in the world of de facto nuclear countries which have not subscribed to the NPT represents the chief threat to the nonproliferation regime. They become an example to be emulated by "threshold" states (in other words countries which have gotten close to possessing nuclear weapons) and "near-threshold" states (which have made the decision to produce nuclear weapons but do not yet have the corresponding base for this). All this has a negative impact on international relations and poses a big threat to the nonproliferation regime. Thus, on the eve of the conference on extending the NPT, a number of Arab states announced their negative attitude to prolongation, blaming this on the existence of nuclear weapons in Israel, which has not subscribed to the treaty.

It is obvious that the existence of nuclear countries outside the NPT is unacceptable to the cause of peace. Consequently, the world community's use of its authority to eliminate this contradiction in favor of the NPT must be perceived as one of the main aims in strengthening the regime defined by the treaty.

The defects of control over nuclear activity constitute another weakness of the NPT and of the practice of its implementation. This has led to the result that the scientific and industrial potential which has been created in certain countries—both ones which have subscribed to the treaty and ones which have not done so—has objectively opened up their path to the possession of nuclear weapons. The improved development of the system of guarantees and the improvement of the whole IAEA mechanism must enhance the agency's ability to bring to light undeclared nuclear activity—primarily signs of the military thrust of the nuclear programs of individual states.

The FIS report devotes much space to an analysis of the activity of international verification mechanisms aimed at ensuring nuclear nonproliferation, and the role played in this verification mechanism by the IAEA. For all its merits, the IAEA needs improvement. The FIS experts mentioned a number of organizational and technical measures which could ensure achievement of this target, including the provision of exhaustive information to IAEA members about national nuclear programs and the introduction of snap inspections without prior notification of their time and place. Other measures to step up verification of the nonproliferation of weapons of mass destruction, including by using the potential afforded by national intelligence organs, are also suggested.

Article 10 Paragraph 2 of the NPT clearly prescribes that the question of extending the treaty is decided by a simple majority vote by its participants. Given this, the FIS analysts looked at four basic scenarios—the open-ended extension of the treaty; the extension of the treaty for a long additional period; the separation of the extension procedure into definite timeframes (5-10 years) linking each extension to specific commitments, mainly by members of the "nuclear club"; or the lack of positive results at the conference. It is the first option (the open-ended extension of the treaty) that Russia supports, considering it to be the best. The FIS analysts conclude that the second solution could also be preceived as a considerable positive result, although it is inferior to an open-ended extension of the NPT. The third option is deemed unacceptable, since it gives rise to a number of additional difficulties. At the end of each term it would be necessary to re- create the decisionmaking mechanism. Moreover, the fate of the treaty would be dependent on the signing of auxiliary accords.

The worst option is option four (the absence of positive results). After all, even a not entirely complete treaty such as the NPT is the "core on which the entire world nuclear nonproliferation regime is based." The continued existence of the treaty is a most important condition for maintaining strategic stability.

According to existing information, 70 participant states have unambiguously come out in favor of the unconditional and open-ended extension of the treaty, three are unambiguously opposed, 38 agree to extend it under certain conditions, and 60 have either not yet decided where they stand or have not expressed a view. The ultimate balance of forces at the New York conference will depend to a certain extent on the weight of arguments in favor of retaining at least the incomplete but, for the past 25 years, relatively effective NPT. No political ambitions or even at first sight noble motives should damage the relative balance in the world when it comes to the nuclear sphere—that is the final conclusion reached in the Russian Federation FIS document.

The FIS experts attached two appendices to their document. One of them quotes figures on the position of certain states regarding the extension of the treaty. The other provides a brief analysis of existing material relating to the nuclear potential of 16 states which, in the opinion of Russian Intelligence, are the most revealing from the standpoint of nuclear nonproliferation.

Holbrooke European Security Concept Disputed

MM2203125995 Moscow KRASNAYA ZVEZDA in Russian 22 Mar 95 p 3

[Feature comprising abbreviated reprint of March-April FOREIGN AFFAIRS article by U.S. Assistant Secretary of State Richard Holbrooke under the headline "European Security: 'America Is a European Power'"; followed by "Notes in the Margin" by Aleksandr Golts under the headline "Still No Clear Answer to the Question 'For What Purpose?'"; first paragraph is editorial introduction]

[FBIS Translated Excerpt] The creation of an effective all-European security system following the end of the Cold War is maybe one of the most, if not the most, acute problems in international relations today. And it by no means a coincidence that the March-April edition of the American magazine FOREIGN AFFAIRS carried an article by U.S. Assistant Secretary of State Richard Holbrooke containing the Washington administration's conceptual view of the direction in which Europe should develop. KRASNAYA ZVEZDA is the first Russian newspaper to have been given a translation of this article by the United States Information Service. We are publishing it in abbreviated form necessitated by the great length of the original. Despite this, we hope we have succeded in keeping the author's entire system of arguments intact. [passage omitted comprising abbreviated version of Holbrooke article]

Still No Clear Answer to The Question "For What Purpose?" [Title of Aleksandr Golts' "Notes in the Margin"]

Whether Richard Holbrooke wanted this to happen or not, his article inevitable brings to mind another, also published in FOREIGN AFFAIRS, almost half a century ago. I am referring to George Kennan's famous article in which is spelled out the concept of containing communism. A concept which became one of the theoretical foundations of the Cold War and predetermined the subsequent division of Europe. And now it is impossible not to wonder whether the implementation of the American approaches will lead to the eventual unification of the European continent, as the author believes, or whether the proposed security architecture carries the seeds of renewed division.

According to Holbrooke, the foundation of this architecture comprises old structures updated under American leadership: NATO, the EU, the OSCE [Organization for Security and Cooperation in Europe]. They would be augmented with new ones: The North Atlantic Cooperation Council and "Partnership for Peace." The main internal contradiction, in my view, is that some organizations are already open to all the countries of the continent whereas admission to others, it is assumed right from the start, will be extremely limited. This is especially serious since, as the author sees it, each of these organizations must perform is own functions without supplanting anyone else. Thus, some states' nonparticipation in key European structures is assumed from the start.

The problem of the expansion of NATO, which is incontrovertibly regarded as the mainstay of security, looks the most contradictory. Holbrooke quite rightly points to the new threats: territorial and ethnic conflicts and mutual recriminations stemming from attempts to "set history right." But it remains unclear in what specific way it is possible to respond to these threats through the strictly selective expansion of a military-political bloc. NATO states' leaders have started a detailed simultaneous discussion of the questions "what?" and "how?" It would be preferable to first give a principled answer to the question "for what purpose?" Arguments that security guarantees must be given to those who share Western values should hardly be deemed convincing.

Assertions that NATO has changed fundamentally in the new conditions are likewise far from incontrovertible. At least, this organization has not yet provided examples of effective action in response to the new threats (rather the contrary if you look at NATO policy in the former Yugoslavia). Would it not be more logical for it to modernize first and only then admit new members? But the point is that, having come up against obvious difficulties in terms of qualitative renewal, the Atlantists preferred to reduce this to a process of expansion.

Here, however, some people will gain a sense of additional security while others (and it is now obvious that we are talking about the CIS countries, primarily Russia, here) will gain additional discomfort in this sphere. You see, it is objectively their fate to only participate in consultations within the framework of the OSCE and the

North Atlantic Cooperation Council and they are excluded from the adoption of key decisions which might affect their interests.

It is to eliminate this contradiction that the global security agreement between Russia and NATO is designed. It is impossible to disagree with the assistant secretary of state when he writes about the key significance of Russia in the structure of European security. And it is gratifying that Washington clearly understands this. But here again the sequence of actions is of fundamental significance. If such an agreement taking account of Russia's interests and confirming at an institutional rather than a rhetorical level the country's key significance in Europe precedes the expansion of NATO, expansion itself would not look so contradictory. But it seems that the formulation of such an agreement is in the very earliest stage.

It transpires that those who have decided to create the new European architecture risk resembling Russia's own masterminds of construction. Starting to build without a clear plan, starting to put up the walls in one corner of the eventual edifice when the foundations are not complete. The consequences are well known.

Kremlin Sources Unhappy With Kohl-Yavlinskiy Meeting

LD2803104395 Moscow ITAR-TASS in English 1121 GMT 28 Mar 95

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Transcribed Text] Moscow March 28 TASS—Sergey Filatov, head of the administration of President Boris Yeltsin, is to meet German Chancellor Helmut Kohl during a trip to Germany this month to discuss German support to the Russian leader in the upcoming elections.

Sources in the Kremlin told TASS on Tuesday that Filatov will stay in Germany from March 31 till April 2 and "plans to discuss with Helmut Kohl the general political situation in Russia in connection with the upcoming parliamentary and presidential elections".

The sources did not conceal their "unfavourable impression" over the recent meeting of Kohl with Grigoriy Yavlinskiy, the noted Russian economist and political figure, who, according to some public opinion polls, is the most popular politician at present.

It is not ruled out that the Russian pre-election problems will be discussed in the context of the "specific political struggle in Russia", the sources said.

Before Germany Filatov will visit Romania for which he left on Tuesday and where he will stay until March 31. He is expected to be received by President Ion Iliescu to discuss the preparation of a bilateral cooperation treaty, according to the sources.

Kozyrev: Contact Group To Discuss Situation in FRY

LD2803145495 Moscow ITAR-TASS in English 1319 GMT 28 Mar 95

[By ITAR-TASS diplomatic correspondent Andrey Urban]

[FBIS Transcribed Text] Moscow March 28 TASS—The contact group on former Yugoslavia will meet shortly to discuss an upsurge in fighting, Russian Foreign Minister Andrey Kozyrev told reporters before leaving for a trip to the Middle East.

Kozyrev said he believed that talks with U.S. Secretary of State Warren Christopher in Geneva and with French Foreign Minister Alain Juppe in Paris had created grounds for hoping the group could work out fresh proposals.

No Change in Russian Stance Over Strike at Bosnian Serbs

LD2803160695 Moscow INTERFAX in English 1432 GMT 28 Mar 95

[FBIS Transcribed Text] Moscow, Mar 28 (Interfax)—Moscow's attitude "to the idea of delivering bombing strikes on the positions of Bosnian Serbs remains unchanged", Mikhail Demurin, a Russian Foreign Ministry official, declared at a briefing in Moscow Tuesday. "This matter should be dealt with with utter caution by carefully measuring the consequences that any coercive measures can lead to," the diplomat said, adding that "Moscow is seriously alarmed over the plans announced by Bosnian Serbs recently to declare a mobilization and a martial law."

He also warned the international community against "double standard in working out a response to actions by the conflicting sides."

Russian General Criticizes Bosnian Serb Mobilization

LD2703142895 Moscow INTERFAX in English 1213 GMT 27 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 27 (Interfax)—The decision of the leader of Bosnian Serbs Radovan Karadzic to declare a general mobilization as well as the possible resumption of large- scale hostilities in Bosnia-Herzegovina will inevitably aggravate the situation in the area, the Commander of the Russian Air-Borne Force Colonel-General Yevgeniy Podkolzin told Interfax Monday.

However, the general hoped that Bosnian Serbs would stick to the four month agreement on terminating hostilities that came into force on January 1. In his opinion the announcements of Karadzic indicate that the conflicting sides are preparing reserves in case the truce is not prolonged.

The commander said the situation around the battalion of Russian peace-keepers near Sarajevo, Bosnia, is generally normal. There are no prerequisites for the withdrawal of Russian paratroopers from the area, as only individual provocations have been registered at Sarajevo airport.

Podkolzin said that a regular rotation of Russian peacekeepers is planned for the end of April-the beginning of May. There are a total of 1500 paratroopers in the two Russian battalions in ex- Yugoslavia. Two thirds of them are to be changed.

U.S., Russian Interests Need Not Conflict in Middle East

LD2303130495 Moscow ITAR-TASS in English 1217 GMT 23 Mar 95

[By ITAR-TASS diplomatic correspondent Aleksandr Zhudro]

[FBIS Transcribed Text] Moscow March 23 TASS—The United States spent 5.2 billion dollars to stimulate the peace process in the Middle East and confirm its status as a co-sponsor of the Arab- Israeli talks. Meanwhile, Russian diplomacy in the Middle East does not involve spending funds. Russian Deputy Foreign Minister Viktor Posuvalyuk said this on Thursday [23 March].

During a conversation with a narrow circle of Russian journalists, Posuvalyuk noted that Russia's role in mideastern affairs is based "on prestige accumulated over many years, on traditional ties and spiritual contacts of mutual understanding". Russia "has not invested a copeck" into the peace process. Moreover, it is trying to create conditions for future mutually- advantageous participation in affairs of the region.

These considerations were expressed in connection with the forthcoming Middle Eastern tour of Russian Foreign Minister Andrey Kozyrev which will take him to Egypt, Syria, Lebanon, Israel and Gaza sector.

Posuvalyuk said that upon returning from his recent middle eastern tour, U.S. Secretary of State Warren Christopher had sent a message to Kozyrev and informed his Russian counterpart of the results of his talks in capitals of Middle East countries.

Posuvalyuk warned against attempts to oppose Russia to the United States as regards the Middle East policy. "There is no competition between diplomacies of the two countries", he said. "We agree on the main things. Moscow and Washington strive for ensuring peace, stability and security in the region. But there is no total identity. We have different starting points and there is a difference in plans for bilateral relations with Middle East countries".

"The Middle East is a superrich region where there are niches for Russia and for the United States", posuvalyuk said. "Our interests need not conflict, if one is not motivated by unsound confrontation".

Kozyrev Discusses Nuclear Nonproliferation in Egypt

LD2903021095 Moscow ITAR-TASS World Service in Russian 2351 GMT 28 Mar 95

[By ITAR-TASS correspondent Dmitriy Gorokhov and Georgiy Shelenkov]

[FBIS Translated Text] Cairo, 29 Mar—We call on all countries to take part in the Nuclear Nonproliferation Treaty [NPT] with a view to improving the international situation. This was stated by Russia's Foreign Minister Andrey Kozyrev at the talks that took place here late in the evening with his Egyptian counterpart Amr Musa and the meeting at the headquarters of the Arab League with its Secretary General Esmat 'Abd al-Meguid.

One of the aims of my visit to the region, he told journalists, is to study how we could help strengthen the nonproliferation regime both at a global and at a regional level. Within this context he expressed satisfaction at the fact that Egypt and the League of Arab States are advocating the extension of the treaty on a fair basis.

As regards Russia's cooperation with Iran in the sphere of nuclear power engineering, the minister said that this meets the provisions of the Nuclear Nonproliferation Treaty. "We do not see a problem in cooperation with a a signatory country of the treaty. This document itself enshrines that any country that signed this document and gave its consent to the IAEA monitoring its nuclear installations should have access to the peaceful use of nuclear power."

Having said that at the talks the issue proposed by the United States of the introduction of an oil embargo against Libya had been touched upon, Andrey Kozyrev let it be understood that it would be premature to speak of Russia's stance on this score. "The problem in question will be discussed again: we would like to study the moods and views of our Arab friends, and also to familiarize ourselves in greater detail with the U.S. proposal. I think that in a day or two I shall be able to be more specific about our stance."

The minister spoke out in support of a political settlement of the Bosnian problem. Having noted that this issue had been discussed with Amr Musa, he stated that it is essential to implement the peace plan of the "Contact Group."

Meets Egyptian Foreign Minister, Arab League Head

LD2903090695 Moscow ITAR-TASS in English 0838 GMT 29 Mar 95

[By ITAR-TASS correspondents Dmitriy Gorokhov and Georgiy Shelenkov]

[FBIS Transcribed Text] Cairo March 29 TASS—Egypt attaches special importance to cooperation with Russia as co-chair of the Middle East peace process, the Minister of Foreign Affairs of Egypt 'Amr Musa said here after his talks with Russian colleague Andrey Kozyrev which ended late on Tuesday.

'Amr Musa said the Russian minister was to convey a personal message from President Boris Yeltsin to the Egyptian head of state Hysni Mubarak on Wednesday.

The two-hour conversation between Kozyrev and 'Amr Musa ended with the signing of an inter-governmental agreement on cultural and scientific cooperation between Russia and Egypt. A memorandum on consultations between the Foreign Ministries of the two countries was also signed.

"Our Middle East tour began in Cairo, which is due to the constructive and balanced role played by Egyptian diplomacy in the search for ways of accomplishing the Middle East settlement," Andrey Kozyrev said.

"Although, the peace process has only two official cosponsors Russia and the United States, Egypt has the full right to claim the same role," the Russian minister said.

Kozyrev said his visit had a symbolic value because it took place when the two countries were marking the 200th anniversary of the opening of Russia's first diplomatic mission in Egypt. As concerns prospects for the development of bilateral relations, the Russian minister stressed its "great potential in many fields".

The Russian foreign minister visited headquarters of the Arab League, which brings together 22 countries, for a meeting with Secretary-General Ismat 'Abd-al-Magid. Their meeting was one-to-one most of the time. It focused mainly on the Arab League's stance on the extension of the Nuclear Non-Proliferation Treaty.

Mubarak, Kozyrev Discuss Peace Process

LD2903101795 Moscow ITAR-TASS World Service in Russian 0852 GMT 29 Mar 95

[By ITAR-TASS correspondent Aleksandr Yelistratov]

[FBIS Translated Text] Cairo, 29 Mar—President Husni Mubarak of Egypt today received Russian Foreign Minister Andrey Kozyrev, who is on an official visit to Egypt. The meeting focused on problems relating to settling the Near East crisis and, specifically, on stepping up the negotiating process between Israel, on the one hand, and Syria and the Palestinians on the other.

During the conversation, Mubarak and Kozyrev also discussed the development of bilateral political and economic cooperation. The same sources say [as received] that, on politics, the parties noted the need for closer coordination of effort by the two states both on a regional and an international level. Taking part in the talks were Egyptian Foreign Minister 'Amr Musa and Russian Deputy Foreign Minister Viktor Posuvalyuk.

This afternoon Kozyrev is flying to Luxor in upper Egypt and from there he will be leaving for Damascus as part of his current tour of a number of countries in the region. As well as Egypt and Syria, the Russian minister plans to visit Lebanon, Israel, and the Gaza strip, where limited Palestinian autonomy is in force.

Iran Envoy Cited on Trade Possibilities

MK2103143095 Moscow KOMMERSANT-DAILY in Russian 21 Mar 95 p 3

[Unattributed report under the "News bulletin" rubric: "Russia Could Ship to Iran Goods Worth $3 to $4 Billion"]

[FBIS Translated Text] So thinks Mehdi Safari, extraordinary and plenipotentiary ambassador of Iran to Moscow. By his estimates, Russian imports from Iran could be worth $1 to $2 billion. Today the annual commodity turnover is far from the desired level and stands at only $380 million, with a clear imbalance in favor of Russia. The ambassador named among the most promising projects an understanding on setting up an enterprise to assemble Il-114 planes and a facility for the assembly of up to 50,000 "Lada" cars and up to 35,000 "Izh" motorcycles. The ambassador recalled that Russia and Iran had signed a contract to complete the construction of the nuclear electric power station in Bushehr (the cost of the deal is $1 billion).

Primakov Denies CIA Reports on Arms Capabilities

JN2403122895 Baghdad INA in English 1115 GMT 24 Mar 95

[FBIS Transcribed Text] Moscow, March 24, INA—Chairman of the Russian Intelligence Service Yevgeny Primakov said that reports circulated by the CIA on Iraq's endeavor to restore its previous capabilities in producing the mass destruction arms were incorrect and conflicted with the de facto. [sentence as received]

In a press conference in Moscow on Thursday [23 March], Mr Primakov said that his intelligence [service] did not receive any information on Iraq's efforts at present to rebuild the nuclear arms, saying the U.N. centre for long-term monitoring system is observing Iraq's moves and the CIA has no right to declare anything in this respect.

Kalmyk President To Convey Saddam Message to Yeltsin

MM2803133995 Moscow KOMSOMOLSKAYA PRAVDA in Russian 28 Mar 95 p 7

[Interview in Rome with Kalmyk President Kirsan Ilyumzhinov conducted by correspondent Aleksandr Golovanov; date not given: "Saddam Husayn Has Such Kind Eyes"—first paragraph is introduction]

[FBIS Translated Text] Kalmyk President Kirsan Ilyumzhinov talks to our correspondent about his meeting with Saddam Husayn.

[Golovanov] You have come to Rome straight from Iraq, where you had a meeting with President Saddam Husayn. What did you talk about?

[Ilyumzhinov] It may seem strange why I should have gone there again...after Zhirinovskiy. Well, I'm a diplomat by training (Ilyumzhinov is a graduate of the Moscow State Institute of International Relations—editorial note). I have the deep conviction that Iraq very much needs Russia, just like Russia very much needs it. Consider, Iraq has 112 billion barrels' worth of known reserves alone. After the blockade is lifted it will inevitably become the world's number one exporter-country. We are intending to construct an oil refinery and very much need Iraq's experience.

[Golovanov] Did Saddam Husayn ask you about any kind of mediation involving him and the Russian president?

[Ilyumzhinov] I carry a personal message from Saddam Husayn to Boris Nikolayevich. Our meeting was planned as a purely formal one [protokolnyy] lasting 15 to 20 minutes, no more. But it turned out otherwise. We spoke for 2 and one-half hours. Our discussion was frank. It became clear during our conversation that we had many points in common. You know, it was the purely human side of him that struck me. If you take television and newspapers, for them Saddam is a dictator and the number one terrorist. But he has very kind eyes. In general, this is a man who instantly grasps the point. And he put specific questions: two to three words, hitting the target....

When I spoke with Saddam Husayn he said "Convey to President Yeltsin that we in Iraq are as an old friend worth two new ones. We are ready to hand over a petrochemicals complex to Russia." After this discussion I met with the Iraqi industry minister in the presence of Russian Ambassador N.V. Kartuzov. And the minister proposed a $1-billion oil contract to us right now. And something else. I presented Saddam Husayn with 4 hectares of land in Elista to build an Iraqi cultural center. They are ready to start constructing it.

[Golovanov] In May KOMSOMOLSKAYA PRAVDA will celebrate its 70th anniversary. What would you like to wish it on its jubilee?

[Ilyumzhinov] That it remain the way it is. That is the best present for us, the readers. KOMSOMOLSKAYA PRAVDA should not betray its readers, because it is one of the most objective newspapers. And, additionally, that it enjoy a calm and confident future.

Zhirinovskiy Holds News Conference on Visit to Libya

LD2803222195 Moscow ITAR-TASS World Service in Russian 2025 GMT 28 Mar 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Translated Text] Moscow, 29 Mar—Vladimir Zhirinovskiy believes that he enjoyed a reception at the highest level in Libya. The leader of the Liberal Democratic Party of Russia [LDPR] told this to journalists at a news conference held late in the evening of 28 March after he had returned from this North African country. He said that the fact that the Libyan leadership had provided an aircraft for the Russian delegation to fly around Libya's major industrial and oil-extracting centers showed the high level at which the delegation of the Duma's LDPR faction led by Zhirinovskiy had been received in Libya.

The delegation, he noted, was received by top officials of the Libyan parliament, government, and the Ministry of Foreign Affairs. In addition, he was received by Libyan leader Mu'ammar al-Qadhdhafi with whom he had talked tete-a-tete for two hours.

The leader of Libyan parliament and I signed a communique and protocol of intent after the visit, Zhirinovskiy said. These documents state, in particular, the need for Russian-Libyan relations to be restored in full.

The LDPR has also pledged to promote measures in the State Duma aimed at lifting the UN sanctions against Libya, Zhirinovskiy said. In addition, the Liberal Democrats are ready to receive a Libyan delegation in Moscow in May at an international conference of blockaded countries organized by the LDPR.

Reasons for Russia's APEC Application Cited

MM2203111995 Moscow ROSSIYSKAYA GAZETA in Russian 22 Mar 95 First Edition p 6

[Report by Aleksey Solodov: "East Covered by the Dawn. Russia Intends To Step Up Role in Asia-Pacific Region"]

[FBIS Translated Text] At a time when Russia is not being allowed into Western markets and when obstacles to the establishment of cooperation with the countries of the Near East and the adjoining region are being put in its way (we need only recall how the United States impeded the construction of the Russian AES [nuclear electric power station] in Iran), our country nonetheless intends to become a full member of the Asia-Pacific Economic Cooperation Organization [APEC]. Although there are some difficulties in this area too—America is still to all intents and purposes blocking delivery to the DPRK of Russian light-water reactors for nuclear power stations.

Last Friday [17 March] Russia made an official application to join APEC. At the same time, the draft declaration on the principles of ensuring stability in these countries was submitted—this, political observers are noting, reflects the desire of the new Russia to become a more active and constructive participant in regional processes.

Thus, the APEC members have a year to consider whether to admit Russia or not. Because since 1993 there has been a three-year moratorium in the organization on the admission of new members. But, as Russian Federation Deputy Foreign Minister Aleksandr Panov noted on a visit to Singapore, "we hope to be the first country admitted to APEC once the moratorium ends."

We would recall that it was set up in November 1989 with the aim of bringing about economic and trade cooperation between 18 countries in the Asia-Pacific region—Australia, Canada, China, the United States, Japan, and others. In 1993 in Seattle the APEC members adopted the Declaration on the Basic Principles of Trade and Investment. A year later in Bogor (Indonesia) the Declaration on the Creation of a Free Trade Zone by 2020 was adopted. It is expected that this will be the world's largest such zone and will largely determine the content of the world economy—after all, these countries account for 40 percent of world trade and half of the gross global product. At the next APEC conference in Osaka this year it is planned to adopt a specific action program to implement this grand plan.

It has to be said that the question of Russia's membership of the organization was sounded out in Bogor. And although, as Aleksandr Panov put it, the proposal was greeted with a great deal of interest and everyone showed willing to develop cooperation with Russia on a bilateral and multilateral basis, this is by no means a simple matter.

First, there are some serious differences among the APEC countries themselves regarding the very concept of the organization. Many of them, and not without cause, believe that the creation of the world's largest free trade zone will not allow them to compete with such economic giants as Japan and the United States. And the United States itself, as if to reinforce this thesis, is stating that the expansion of its trade is now its foreign policy priority.

Second, certain APEC members are expressing concern about whether Russia will be an honest partner—that is, will it be fully open to free trade, will dirty tricks be played by state structures, or will it be a politically stable country.

Russia has an objective interest in joining APEC as soon as possible, given the possible use of the enormous potential of the Siberia and Far East regions. This will provide not only support for its internal economic reforms but will also be in line with the interests of all the region's countries. And the South Koreans are right when they state that an Asian giant like Russia must not be left out.

China Backs Russia's Intention To Join APEC

LD2303111495 Moscow ITAR-TASS in English 1014 GMT 23 Mar 95

[By ITAR-TASS correspondents Marat Abdulkhatin and Pavel Spirin]

[FBIS Transcribed Text] Beijing March 23 TASS—China backs Russia's intention to become a member of the Asia-Pacific Economic Cooperation [APEC] organisation, a spokesman of the Chinese Foreign Ministry told ITAR-TASS on Thursday [23 March].

The Chinese diplomat mentioned that neighbouring Russia and China possess a great economic potential, actively develop bilateral ties which contributes to the development of the whole Asia-Pacific rim region.

Commentary Urges Continued Dialogue on DPRK Reactors

SK2903023395 Moscow Voice of Russia World Service in Korean 1200 GMT 28 Mar 95

[Commentary by Valeriy Shurikov from the "Today's World" program]

[FBIS Translated Text] As reported, the U.S.-DPRK talks held in Berlin to discuss the nuclear safety issue that began 25 March has recessed. This was agreed to by delegates of both sides. Station commentator Valeriy Shurikov writes as follows:

Whether or not the talks were successful before recessing is not known. According to U.S. Secretary of State Warren Christopher's remarks, the U.S. side's delegates returned to Washington to discuss a new proposal put forward by the DPRK side. The issue of providing light-water reactors still remains a stumbling block in the talks. That is, the two sides failed to reach an agreement regarding the matter which country's light-water reactors should be provided to Pyongyang.

The United States has forced the DPRK to accept ROK-model light-water reactors. However, Pyongyang has absolutely opposed ROK-model light-water reactors. During the Berlin talks Pyongyang warned Washington that it may rescind its step of freezing its nuclear program if the United States continues to force it to accept ROK-model light-water reactors.

The DPRK has pointed out many times that Russian-made light-water reactors are desirable. It has also said that even German-made light-water reactors are acceptable in view of their technological level. When they were negotiating with the U.S. side in late February, the DPRK delegates met with experts from Siemens Company of Germany.

In such a situation, the United States has to make a compromise by considering the interests of all countries concerned that are interested in the DPRK's nuclear problem. In other words, Pyongyang should make some concessions or the United States should seek a new step for sanctions. However, everyone thinks that continuing dialogue is more desirable than imposing sanctions.

Sanctions will further aggravate the situation on the Korean peninsula. When and how will new light-water reactors be supplied to the DPRK in accordance with the DPRK-U.S. agreed framework signed in Geneva last October? This issue should be wrapped up before 21 April.

Maritime Territory Invites North Koreans To Use 'Idle' Land

LD2303145895 Moscow ITAR-TASS in English 1144 GMT 23 Mar 95

[By ITAR-TASS correspondent Aleksandr Valiyev]

[FBIS Transcribed Text] Pyongyang March 23 TASS—The Russian Far East and North Korea agreed on Thursday [23 March] to boost trade and economic cooperation and Russia said it was ready to invite 300 North Korean peasants to grow rice in the Maritime Territory bordering on North Korea.

A cooperation agreement was signed on Thursday in Pyongyang by governor of the Russian Maritime Territory Yevgeniy Nazdratenko and Chairman of the Foreign Economic Committee of North Korea Yi Song- Tae.

The document envisages the creation of a joint commissionn in the first half of 1995 and determines fishing, construction, agriculture and engineering as priority branches of cooperation.

The agreement envisages an exchange of fishing quotas, the creation of joint ventures and rest of Russian fishermen in North Korea.

Nazdratenko told TASS that his administration is ready to consider the proposal of Pyongyang that North Korean peasants sow rice on non-used Russian lands in the region. "Our territory is ready to invite 200-300 peasants from the Democratic People's Republic of Korea this year to grow rice on idle lands. 30 per cent of the product will be retained by the North Korean side, while 70 will remain in Russia", the governor said adding that the number of North Korean peasants in Russia may grow in future.

The sides also agreed to consider a possibility of joining efforts in accessing to the markets of other countries in South East Asia. Efforts are to be pooled by the Russian "Vostokremstroimash" construction and mining company and the North Korean Society for Import and Export of Machinery.

Nakhodka, South Korea Agree To Set Up Technological Park

LD2303111195 Moscow ITAR-TASS in English 1011 GMT 23 Mar 95

[By ITAR-TASS correspondent Leonid Vinogradov]

[FBIS Transcribed Text] Nakhodka March 23 TASS—Leaders of the Nakhodka free economic zone and a South Korean governmental land corporation today signed a memorandum on joint construction of a Russian-Korean technological park in the Maritime territory, Russian far east.

The agreement envisions 50-year lease of 330 hectares of Nakhodka, russia's first free economic zone, to South Korea which bids to build 150 light industry and agricultural factories in this area.

The new industrial area is to turn out an annual billion dollar worth of high-quality products for sales in Russian and world markets.

Nakhodka's commitments in the project are power and water supplies and setting up other infrastructural links in the area.

The idea of the technological park arose during the Seoul visit of President Boris Yeltsin in November 1992.

Panov on New Phase in Japanese-Russian Relations

LD2403190695 Moscow INTERFAX in English 1534 GMT 24 Mar 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] MOSCOW, Mar 24 (Interfax)—Russia seeks a full normalization of relations with Japan, Russian Deputy Foreign Minister Aleksandr Panov told Interfax Friday.

According to Panov, the present state of bilateral relations is not on a proper level in many areas, including political, economic and military.

"Bringing bilateral relations on to a new level will create grounds for signing a peace treaty," he remarked.

Commenting on the Russian foreign minister's recent visit to Tokyo, Panov said it had been adjusted to Russia's present policy towards Japan. In principle, it would be unrealistic to believe that one visit can bring about dramatic changes to the relations between two countries," he added. [quotation mark as received]

Panov confirmed Russia's positive attitude to the possibility of Japan's obtaining a permanent seat in the U.N. security Council. "The Russian side does not tie up this issue with signing a peace treaty with Japan. We believe that these are two different issues," he concluded.

Panov said the date and venue of the second round of talks on fishing around the South Kurils islands had not yet been fixed. "Both sides are still preparing for the meeting," he remarked.

The first round of talks was held in Moscow on March 13-14.

Intelligence Official Comments on Sarin Incident in Tokyo

LD2303125095 Moscow Mayak Radio Network in Russian 0930 GMT 23 Mar 95

[FBIS Translated Text] A news conference of senior officials of the Foreign Intelligence Service ended a few minutes ago. It dealt with the problem of the nonproliferation of nuclear weapons. Here is our observer Viktor Yerin.

[Yerin] The head of the Foreign Intelligence Service, Yevgeniy Mikhaylovich Primakov, said the service had prepared a report on problems relating to the extension of the Nuclear Nonproliferation Treaty. The treaty was signed by 172 states, and now is the time for its extension. Although the treaty is not perfect, it plays an important part. According to the information of the Foreign Intelligence Service, there are currently at least three unofficial nuclear powers—that is in addition to the five official ones—that do not define themselves as nuclear powers; although, they are in possession of nuclear weapons.

In addition, some states are on the way of developing nuclear weapons. Nevertheless, Primakov thinks, if there had been no treaty, up to 20 states would have acquired nuclear arms by now. The problem of the nonproliferation of nuclear weapons was the subject of the journalists' questions. The most topical question was connected with the reports that the sarin nerve gas used by terrorists in the Tokyo underground had been supplied from Russia.

Here is an answer of General Lieutenant Gennadiy Yevstafyev, deputy head of the Foreign Intelligence Service:

[Begin Yevstafyev recording] Sarin was invented in Nazi Germany in 1939. Therefore, very many people know how it is made. So, the question of from where it was supplied is very difficult. Admittedly, back in June we noticed the events that took place in the town of Matsumoto, and we took certain measures to study the situation and the scheme of events surrounding this problem in Japan, and now in connection with this famous sect Aum Shinrikyo.

We said it before: Most people like talking about nuclear terrorism. Indeed, this question can be asked, but chemical and biological warfare is perhaps much worse because it is less conspicuous and it is easier to wage. Enormous work must be done to strengthen the monitoring of the materials, exports, and the possible smuggling of ingredients required to make chemical weapons.

Our point of view is that the incident in Matsumoto and in the adjacent mountains back in July was not thoroughly investigated by the Japanese services. It should have been investigated to the end. That is precisely the circumstance that has led to the much more serious incident in the Tokyo underground. The measures that have been taken, following the events in the Tokyo underground, if all the reports are accurate, especially regarding the materials which have been confiscated, show that these may well be the people who used their amateurish methods to manufacture these substances. Again I would like to repeat that we cannot be certain until the courts and the experts sort all this out.

However, we know that a group of the sect members visited this country. I think that the incident is also at the center of attention among our colleagues at the Counterintelligence Service, but all of us must pay attention to this. The only alarming thing is this: Even though one might be eager to know the truth, when television shows pictures of these substances, one becomes nervous that some people might be prompted to think that it is terribly easy to manufacture them: two bottles, three cans, pour it all together and the stuff is done, as it were. That is really terrible, and I think that restraint on the part of the television media must play a certain role. There are things which can and must be shown, but certain other things that can be reported, must not be shown in detail, because that may prove harmful. [end recording]

Commentary Says Moscow Support for Crimea 'Vain Hope'

MM2303122295 Moscow PRAVDA in Russian 23 Mar 95 p 1

["View from Editorial Office" by Nikolay Musiyenko under the general heading: "Peninsula of Anxieties"]

[FBIS Translated Text] It has been known from time immemorial that politics is a dirty business. All the same, one is struck by the speed with which Oleksandr Moroz, leader of the Socialist Party of Ukraine and formerly a Communist, having gotten the cherished seat of speaker of parliament, was transformed into a "separatist" who now displays touching unanimity with extreme nationalists like Pan Chornovil, who for more than a year now have been dreaming of crushing the Crimea, which, as they see it, has too high an opinion of itself. The deputies in the autonomous republic are said to be the wrong ones—they have not justified the hopes. It turns out that Meshkov, whose victory in the presidential election was disputed by no one in Kiev, is now "not envisaged." Dual citizenship allegedly runs counter to international norms, although it is no secret that many Canadians are simultaneously citizens of France—their ethnic motherland—while there is already a similar precedent in the expanses of the CIS: the dual citizenship treaty between Russia and Turkmenia....

Contrary to Kiev's decisions, the "abolished" Yu. Meshkov is still in his post. Albeit without guards. "I have been elected by the people, and no decrees can prevent me carrying out my duty," he declared at a news conference in Simferopol. Moreover, the Crimean president is entirely reconciled with the parliament. He probably regrets now that in the past he declared "war" on the deputies, thereby giving Kiev an excuse for the present attacks on his person and losing to a considerable degree his former popularity with the people of the Crimea.

On Tuesday the Crimean Supreme Council discussed the composition of a delegation of parliamentarians to hold talks with the Ukrainian Supreme Council. In addition, it decided to send the Ukrainian parliament's notorious decisions for an expert juridical appraisal. In general, it is trying to gain time....

I do not know on what the Crimean deputies are reckoning. If they are reckoning on protection from the Russian Federation, then these are most likely vain hopes. Oleg Soskovets, first vice premier of the Russian Federation Government, who had arrived in Kiev to finalize documents for the Ukrainian-Russian top-level meeting, plainly declared that he had come "not to discuss Crimean problems. This is an internal matter for Ukraine." Ivan Rybkin, chairman of the Russian Federation State Duma, also spoke of an "internal matter." True, he stipulated that "the fate of the people of the Crimea must be decided with due regard for the expression of their will, otherwise there could be great grief." But such a stipulation can hardly be regarded as serious support.

So, to all appearances, B. Yeltsin's visit to Kiev will still take place. The Treaty of Friendship and Cooperation between Russia and Ukraine will be signed. But what officials both in Moscow and in Kiev mean by "friendship" is not at all what ordinary people understand by this sacred concept. It will be the final, juridical consolidation of what happened in the Belovezhskaya Forest. Then the Crimean parliament—the only one now operating in the countries of the former USSR that dared to denounce the Belovezhskaya Forest agreements—will undoubtedly become the next victim of the Kiev authorities. Unless, of course, it quickly "comes to its senses."

Official on Ukraine's Attitude to Crimea Consulate

LD2903122895 Moscow ITAR-TASS World Service in Russian 1141 GMT 29 Mar 95

[By ITAR-TASS correspondent Igor Belskiy]

[FBIS Translated Text] Moscow, 29 Mar TASS—"The Ukrainian side is acting against bilateral agreements and generally accepted international norms in respect of Russia's consulate in Crimea," says Abdulakh Mikitayev, head of the citizenship section of the Russian Federation president's administration. In an interview with ITAR-TASS today, he said that the Russian Federation's consular group had started work in Crimea by agreement with the Ukrainian Foreign Ministry on the basis of the provisions of an international convention.

From this standpoint, in Mikitayev's view, there can be no question of infringements. He added that consular duties include procesing citizenship applications.

Kiev's references to the fact that Russia allegedly violated the Ukrainian legislation are unacceptable since the Russian consular service cannot work in line with the laws of any state other than Russia, and the Ukrainian side was informed about this at a [past] time, Mikitayev stressed.

In order to eliminate the problem and allow the consular group to continue granting the Russian citizenship in the future, the work of the consulate has been suspended for the time being, Mikitayev said. However, there is no talk about recalling its personnel.

Answering a question from an ITAR-TASS correspondent, Mikitayev said that the actions of the Ukrainian authorities with regard to the Russian consulate in Crimea are "undoubtedly opportunistic and political in nature." The problem is that both in Ukraine and Russia the interests of compatriots often depend upon political expedience, Mikitayev said.

Moscow Said Ready To Turn Donuzlav Naval Base Over to Kiev

MK2403113095 Moscow SEGODNYA in Russian 24 Mar 95 p 1

[Report from Simferopol by Viktor Yadukha under the "Neighbors" rubric with the general heading: "Kiev Promises To Pay $2.5 Billion to Moscow. Talks on Splitting Black Sea Fleet 'Still Proceed in a Complicated Manner'"]

[FBIS Translated Text] By some accounts, oral agreements reached during Mr. Soskovets' talks in Kiev include the transfer to Ukraine of the Russian Naval base of Donuzlav, where all coast infrastructure will be left intact and ships will be split fifty- fifty. Notably, the splitting will be done directly by a commission of the Russian Main Naval Staff, not by servicemen of the base. "The situation is so difficult that one may well start considering shooting oneself," Rear Admiral Aleksandr Tshubin, representative of the Black Sea Fleet in Donuzlav, complained to your SEGODNYA correspondent.

Commenting on the results of the second round of Russian- Ukrainian talks, Crimean parliament speaker Sergey Tsekov said: "One gains the impression that Ukraine's tough decisions on Crimea have been prompted by the horse-trading between Russian and Ukrainian representative on the fleet and Sevastopol. Crimea has yet again turned out to be small change in big politics."

Black Sea Fleet Units Being Turned Over to Ukrainian Navy

MK2803111095 Moscow NEZAVISIMAYA GAZETA in Russian 28 Mar 95 p 2

[T.R.-signed report under the "In Brief" rubric: " A Fleet Still Being Split"]

[FBIS Translated Text] Despite an absence of interstate agreements between Russia and Ukraine on splitting the Black Sea Fleet, Russian Naval units continue to be turned over to the Ukrainian side. The Russian Main Naval Staff's commission is going to hand 50 percent of the river boat brigade based in Izmail to a similar commission of the Ukrainian Main Naval Staff. Armored boats retained by Russia will subsequently be turned over to the Novorossiysk water area protection unit. An overwhelming majority of officers expressed their desire to serve in the Russian Navy, and only three agreed to move over to the Ukrainian Navy. Commenting on the situation, [Black Sea Fleet Commander in Chief] Eduard Baltin said: "The most important thing for me is people, and I will do my utmost so that officers and warrant officers who remained true to their oath of allegiance will be appointed to deserving positions, be provided with housing, if possible, and with jobs for members of their families."

Moscow, Kiev Agree To Compensation Plan for Bombers

LD2703162295 Moscow INTERFAX in English 1609 GMT 27 Mar 95

[FBIS Transcribed Text] Moscow, Mar 27 (INTERFAX)—The Russian and Ukraine defense departments have reached agreement on compensation payment for the transfer of Ukrainian strategic bombers to Moscow.

Russia has agreed to write off $192.6 million of Kiev's gas bill for the transfer of 19 Tupolev-160 and 25 Tupolev-95 MC long range aircraft and air-launched cruise missiles, an informed source told INTERFAX

He said the 44 warplanes will be transferred to Russia after the two sides have signed an appropriate agreement. In his words, Russian experts say such an agreement will not be linked to the problem of the Black Sea Fleet.

[Moscow INTERFAX in English at 1525 GMT on 27 March reports: "Kiev will be seeking traditional cooperation with Russia in the manufacture of military hardware, Ukrainian Defense Chief Valeriy Shmarov told a news conference in Kiev Monday. He spoke of similar cooperation being less active with other CIS states including Belarus, Kazakhstan and Central Asian countries. The minister advocated support for military cooperation with countries other than the republics of the former Soviet Union. At the same time, he said the Ukrainian government was planning to set up the country's own cycle of military production."]

Kyrgyz Premier Summarizes Talks With Chernomyrdin

LD2203173495 Moscow INTERFAX in English 1648 GMT 22 Mar 95

[FBIS Transcribed Text] Moscow, Mar 22 (INTERFAX) - Russian Premier Viktor Chernomyrdin and Kyrgyz Premier Apas Dzhumagulov will begin drafting a bilateral long-term agreement on economic relations and further integration.

Dzhumagulov informed Interfax about this in an exclusive interview in which he summed up the results of today's talks with the Russian premier.

Dzhumagulov said Russia and Kyrgyzstan had discused acceleration of drafting documents on Kyrgyzstan joining the customs union between Russia, Belarus and Kazakhstan.

Russian Deputy Prime Minister Aleksey Bolshakov, who participated in the meeting of the two premiers, said bilateral consultations on drafting the "large economic agreement" would begin in Moscow today. He said he believed that the drafting of the agreement meant that the countries had decided to expand integration in the spheres "of mutual interest." "Taking into consideration the real potential of Kyrgyzstan, this will primarily concern machine-building and raw materials," he added.

Commenting on the Kyrgyz debt to Russia, Dzhumagulov said that the Kyrgyz debt to Moscow mainly accumulated in 1991-1993 now approximated $60 million. He said Kyrgyzstan of late had not been using Russian credits. At the same time, Dzhumagulov said that in accordance with inter-government agreements, Moscow was expected to grant Bishkek 50 billion rubles in 1994, while only 12 billion rubles "were realized in practice." Dzhumagulov said Kyrgyzstan would not seek credit from Russia this year.

'Humanitarian Corridor' Opened for Abkhazia Russians

MM2203141695 Moscow ROSSIYSKAYA GAZETA in Russian 22 Mar 95 First Edition p 11

[State Duma Decree No. 555-1 GD, signed by Speaker Rybkin and dated 24 February 1995: "On a Humane Approach to the Needs of the Abkhaz Population"]

[FBIS Translated Text] Given the Russian Federation Government's closure of the Russian Federation state border along the Psou River, the suspension of the entry to the Russian Federation of non-Russian citizens, means of transport, and freight traveling from Georgian Republic territory has left the entire population of Abkhazia—particularly the Russian population—at the limit of survival, cold, and hunger;

believing that the tightening of border regulations due to domestic Russian reasons should not lead to a further deterioration in the position of our fellow countrymen abroad;

and noting with satisfaction the progress at the talks to reach a political settlement to the Georgian-Abkhaz conflict,

the Russian Federation Federal Assembly State Duma decrees that:

The Russian Federation Government is instructed to examine the question of easing the border regulations on the border with Abkhazia, envisaging as priority measures a simplified border- crossing procedure for pensioners and women, as well as the opening of a humanitarian corridor to supply the Abkhaz population with foodstuffs and prime necessities from the Russian Federation Red Cross Society, international and Russian charities, public associations, and religious organizations.

[Signed] I.P. Rybkin, chairman of the Russian Federation Federal Assembly State Duma
Moscow, 24 February 1995
No. 555-1 GD

Rozhok Expulsion From Estonia To Be Challenged by Moscow

LD2803125095 Moscow ITAR-TASS World Service in Russian 1127 GMT 28 Mar 95

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[FBIS Translated Text] Moscow, 28 Mar—Moscow will not allow the deportation of Russian citizen Petr Rozhok from Estonia on 22 March to go unchallenged, Mikhail Demurin, an official spokesman of the Russian Federation Foreign Ministry told a briefing today. It is a scandalous event, in violation of international practice and the republic's own laws, he stressed.

The diplomat said Russia would continue its policy of preventing encroachments on the rights of Russian citizens and their expulsions from Estonia, using primarily political means in this context. However, noted Demurin, we do have economic opportunities at our disposal and we could use them to defend the interests of our citizens wherever we see fit.

Foreign Submarine in Russian Waters; Identity Not Revealed

LD2903085095 Moscow ITAR-TASS World Service in Russian 0821 GMT 29 Mar 95

[By ITAR-TASS correspondent Vasiliy Belousov]

[FBIS Translated Text] Murmansk, 29 Mar—A foreign submarine was discovered in Russian territorial waters in the Kola Bay area on Tuesday, ITAR-TASS has been told by a source in the Northern Fleet command. The source did not specify the national identity of the intruder.

An official spokesman for the headquarters of the Northern Fleet confirmed that a foreign submarine violated the Russian border and added that this is not the first such incident of late. He said that antisubmarine forces forced the intruder out of Russian territorial waters to a distance of around 100 nautical miles.

The headquarters spokesman also declined to reply to a question about the national identity of the submarine, although experts know that "acoustic profiling" makes it possible to do this fairly accurately.

He confined himself to saying that "the incident cannot be viewed as anything other than the latest attempt to complicate the process of bringing Russia closer to the leading Western countries."

Political Issues

Shakhray Expounds Yeltsin's Views of Federation

MM2903134095 Moscow ROSSIYSKIYE VESTI in Russian 25 Mar 95 Saturday Edition p 3

[Exclusive interview with Vice Premier Sergey Shakhray by Pavel Anokhin; time and place not given: "Boris Yeltsin Is Consistently Putting the Model of a Constitutionally Based Federation Into Effect"—first paragraph is introduction]

[FBIS Translated Text] The statement that Boris Yeltsin is consistently putting the model of a constitutionally based federation into effect was made by Sergey Shakhray, deputy chairman of the Russian Government, in an exclusive ROSSIYSKIYE VESTI interview just before the opening of the scientific practical conference "Problems Concerning the Demarcation and Mutual Delegation of Powers Between Federal Organs of State Power and the Organs of State Power of the Components of the Russian Federation: Experience and Prospects." The conference is being held on 25 March, on the directive of Russian President Boris Yeltsin.

[Anokhin] Sergey Mikhaylovich, some politicians think that there have been changes in Boris Yeltsin's position regarding the principles of the federal system of the Russian state. Whereas he previously inclined toward a treaty-based federation, nowadays he inclines toward a constitutionally based one, which it is the conference's task to delineate.

[Shakhray] Boris Nikolayevich has always been an advocate of a constitutionally based federation. He has consistently advocated the equality of all components of the Russian Federation and has consistently put into effect the ideas of a gradual transition from an ethnically based model of the federation toward a territorial- economic one. You will agree that no component of Russia, including the republics, is a purely national formation, all of them being multinational in terms of ethnic makeup.

A change has taken place in the Russian president's position elsewhere Whereas he previously saw no other means of demarcating powers than a treaty, he now sees the solution in a federal law on the demarcation of powers, the draft of which will be submitted to the State Duma on the Russian president's behalf. Discussion of the blueprint of such a draft law will be appropriate at the conference.

It has, moreover, to analyze the first 18 months of Russia's development on the basis of the new Constitution, which settled the dispute as to what the Russian Federation should be—a treaty- based or constitutionally based federation—in favor of the latter. It is now time to sum up our performance to date, to expose mistakes and shortcomings, and to look at the prospects. A lot can be said about federalism and the need to switch from the unitary, bureaucratically centralized state system, but the route toward that lies in delimiting powers and responsibility and creating a mechanism for collaboration between the federal organs and the regional authorities.

[Anokhin] There will be discussion again on the demarcation of powers between the center and the regions, although this is already enshrined in three articles of the Russian Constitution. What's the problem?

[Shakhray] Article 72 enshrined 44 questions in joint jurisdiction but in no way defined those powers internally —it is unclear who is responsible for what. However, there do exist mechanisms for delimiting powers—the adoption of a federal law defining the powers of the center and the region; the signing of treaties and agreements; rules governing the subordination of federal and regional laws which state that local laws must not be at variance with the bases of the Constitution or with federal laws.

The draft federal law on the procedure for and the principles governing the demarcation of powers clearly stipulates that the exclusive competence of the federation and violation of the rights of other components of Russia may not be the subject of a treaty. The acquisition of new areas of joint jurisdiction which are not enshrined in the Constitution may be the subject of a treaty: For example, the protection of Lake Baykal involving the components of Russia which border it, or shipments to the Far North, which affects all components of the Russian Federation. The draft law establishes strict rules for such treaties. It also contains an article which requires that all previously concluded treaties be brought into line with it within six months.

Union of Communist Parties-CPSU Plenum Held

MM2903141095 Moscow SOVETSKAYA ROSSIYA in Russian 28 Mar 95 p 2

[Report by Nadezhda Garifullina: "Plenum of Union of Communist Parties-CPSU"]

[FBIS Translated Text] The joint plenum of the UCP-CPSU [Union of Communist Parties-CPSU] and the UCP-CPSU Control and Auditing Commission, which took place Saturday 25 March in Gorki Leninskiye, was given over to the preparations for the 30th UCP-CPSU Congress. Chairman of the UCP-CPSU Council Oleg Shenin delivered the main report. Questions of "Amendments and Additions to the UCP- CPSU Program," "Amendments to the UCP-CPSU Rules," and so on were examined.

The plenum decreed that the 30th CPSU Congress will be held in Moscow 1-2 July 1995. It was determined that there should be an equivalent proportion of representatives from the communist parties and movements in the UCP-CPSU at the congress: one delegate for every 4,000 Communists, and 10 delegates for parties and movements with fewer than 40,000 members. Delegates from parties and movements which are associate members of the UCP-CPSU will participate in the congress' work but without voting rights.

The plenum appealed to all Communists belonging to the CPSU on the territory of the Russian Federation to strengthen the communist movement's unity, register with the currently operating communist parties in Russia which are full members of the UCP-CPSU (the Communist Party of the Russian Federation, the Russian Communist Workers Party, and the Union of Communists), and propose to their leadership that they take effective measures to unite Russia's Communists within a single republic communist party.

Having approved the decisions of the Second Congress of USSR Peoples, the UCP-CPSU plenum proposed to the republic party committees that they participate directly in the conduct of the republic and regional peoples' congresses and the creation of the unifying movement's organizational structures at all levels, step up propaganda on Marxist-Leninist theory and practice in the resolution of ethnic questions, and oppose attempts to demote the role and significance of proletarian internationalism in the struggle for the restoration of the USSR and against separatism, nationalism, and chauvinism.

In connection with the forthcoming celebration of the 50th anniversary of the Victory of the Soviet people in the Great Patriotic War, the plenum adopted a statement emphasizing that the loss by the Soviet people of the fruits of Victory gained at the expense of enormous sacrifice is a great crime and a betrayal of the sacred achievements of the heroic generation of victors.

Chernomyrdin Talks with Public TV Directors

LD2803191995 Moscow ITAR-TASS in English 1903 GMT 28 Mar 95

[By ITAR-TASS correspondent Tamara Ivanova]

[FBIS Transcribed Text] Moscow March 28 TASS—Russian Prime Minister Viktor Chernomyrdin today met the board of directors of the emerging Russian Public Television (RPT).

Reform of the Russian television should proceed without jerks and starts, and with account for social security of television professionals, Chernomyrdin said.

The meeting centered on future relations between the Ostankino Television Company and its outgrowth, the RPT, which is to be launched on the Ostankino channel on April 1.

The meeting set a week ahead as a time for drawing up an agreement on television programmes which the RPT is to buy from Ostankino for contractual prices in the period before September 1, 1995.

The RPT is also to take over part of Ostankino's commitments as entailed by its previous long-term contracts. The volume of the commitments remains to be agreed by the parties.

Non-state shareholders in the RPT confirmed that they will assume the funding of 49 percent of Ostankino's total current spending on broadcasting. The non-state shareholders also commit themselves to make good revenues dented by a period of advertising suspension on Ostankino's first channel.

Ostankino and the RPT confirmed their earlier agreement on extension of individual employment contracts of the former Ostankino Television news agency, ITA. In addition, Ostankino is to come up with a project of reorganisation of the ITA.

Chernomyrdin said the RPT was expected to become a stabilising factor in the Russian society and called on television professionals to act up to these expectations.

The meeting was attended by Managing Director of the RPT Sergey Blagovolin, Director of the Federal Russian Television and Radio Service Valentin Lazutkin and First Deputy Chairman of the Ostankino Company Grigoriy Shevelev.

Claimed 'Text' of Chernomyrdin 24 Mar Report

MM2803135995 Moscow ROSSIYSKAYA GAZETA in Russian 25 Mar 95 First Edition pp 1, 2

[Unattributed Report on Premier Chernomyrdin's Speech to Enlarged Government Session 24 March: "Reforms and Development of the Russian Economy"—first two paragraphs are editorial introduction]

[FBIS Translated Text] An enlarged session of the Russian Government was held in the Kremlin yesterday with the participation of President Boris Yeltsin. Viktor Chernomyrdin delivered a report "On Measures to Implement the Russian Federation President's Message to the Federal Assembly 'On the Effectiveness of State Power in Russia' and the Russian Federation Government Program 'Reforms and Development of the Russian Economy in 1995-1997'." (The text of the report is published below).

The following took part in the enlarged government session: The chairmen of state committees, the leaders of federal services and organs of executive power of the components of the federation, official representatives of the president in the regions, deputies of both chambers of the Federal Assembly, representatives of business and scientific circles, and journalists.

The first quarter of this year, 1995, is coming to an end. The beginning of the year has not been easy, just as, it must be said, our lives have not been easy over all these past years. It is precisely this year, 1995, however, which can and should be a year of breakthrough in the economic crisis, with a changeover to the stabilization of the economy, the strengthening of the authority and efficiency of all branches of state power, and the strengthening of the federation's foundations.

Herein lies the importance of what the presidential message said about the effectiveness of state power in Russia. By fulfilling the tasks set in the message, we must, this year, **enter a period of steady and stable economic, social, and political development**.

At the same time, the presidential message is a document whose validity goes far beyond the time framework of 1995. The message is geared to the future. It indicates the prospects for the development of the Russian society and state on the threshold of the 21st century. It contains a consistent and ramified account of the world view underlying the reforms.

The message sets out a strategy for the development of Russia, and this strategy, on the basis of a clear recognition of Russia's national-state interests, directs us to make the fullest use of the potential of all state institutions; primarily, the potential of the executive branch of power and, in the first instance, the Government of Russia which has been set specific tasks.

These tasks include, first of all, achieving financial stabilization of the economy and achieving consistently low rates of inflation.

The tasks include creating a favorable investment climate for everyone, both Russian and foreign investors.

They include starting a strategic maneuver in the sectoral structure of the economy.

They include carrying out institutional transformations, aimed at strengthening the creative energy of the market.

The tasks include, finally, making a real change toward giving a social direction to economic reform and carrying out a package of measures ensuring the economic and social rights of citizens which are guaranteed by the Constitution. All of this taken together will mean the creation of the starting conditions and the potential for future economic growth and, on this basis, for the raising of national prosperity.

What has been done and what is being done in 1995?

The first three months occupy a special place on the difficult path of economic reform. For the first time of late, the economy is beginning to show **encouraging** results.

In January, the price of consumer goods and services increased by 18 percent, in February by 11 percent, and in March we expect a growth of around 9 percent. Over the first three months of this year, gross domestic product fell by 4 or 5 percent, while in the first quarter of last year the fall was four times as much. The same is true of industrial output. In the first quarter of this year it fell by 3 percent. Last year, the first three months saw practically a 25 percent fall. Of no less importance now is the fact that it has been possible to stabilize the monthly production dynamics.

The average daily output is increasing gradually. Over the first two months of this year, the overall output of the ferrous metal industry exceeded the level of the corresponding period of last year by 7 percent and the chemical and petrochemical industry by 8 percent. Of particular importance is the fact that the volume of production in machine-building grew by 4 percent in the same period.

All of that bears witness to the fact that industrial output is beginning to come out of its depressed state. Within it areas of growth are taking shape, albeit slowly, and the prerequisites for a coming boom are being established.

Thus, at the Magnitogorsk metallurgical combine, a unique "2,000" mill with a capacity for hot-rolling almost 4.8 million tonnes of ferrous metal has been put into operation. The possibility has appeared for manufacturing our own excellent rolled steel, including rolled steel which can be sold for export.

In place of the rail car manufacturing facilities which ended up outside Russia, capacities for manufacturing electric trains have begun operating in the Demikhovskiy joint-stock machine-building works. Substantial capacities have come into operation at the Kirov Tire Plant and at the Omsk Tires joint-stock company.

The rate of the fall in the volume of rail freight transportation is declining: in January it was 8 percent, in February 4 percent, and in March 2 or 3 percent below last year's level is expected.

So there are things to be transported. Possibilities are appearing. Work is beginning.

There are improvements in such a complex sphere of the economy as agriculture. We recently examined attentively the question of preparations for spring sowing. We adopted the necessary decisions. Although far from everything which has been done is running smoothly, the basis for the future harvest exists.

Sufficient diesel fuel has been laid in store. The situation as far as seed and fertilizer provision is concerned is more favorable, and if one takes account of the creation of the Federal Food Corporation, the clarity in the situation relating to prices regarding state orders, and a number of new financial mechanisms, I think we have a right to expect that this year country folk will breathe more easily and will work as needed.

At the same time, however, the overall situation in the economy remains complex. The overall volume of capital investment fell in January-February 1995 and the drop in the investment sphere is as great as it was a year ago.

An effective mechanism for strengthening payment discipline, for budgetary income receipts, and for eliminating nonpayment has not yet been developed. The total overdue debts by enterprises by the end of the quarter exceeds the gross domestic product over the same period.

By the end of last year, the possibilities for the growth of the population's real disposable incomes were exhausted. They shrank somewhat in January-February of this year whereas in 1993-1994 they had increased virtually constantly.

The fact that the prices of essential goods and services which form the basis of consumption of low-income groups are increasing is of particular concern.

However, I will note once again the main lesson of the beginning of 1995: Over the first three months we were able to keep within the parameters of the budget.

It was, of course, not easy to do that, but we held out despite all the circumstances, and proved that the economy can function in the conditions of an extremely tough financial and monetary credit policy.

All this indicates one thing: the Russian economy is beginning to stabilize, although the positive changes are still very fragile.

I cannot ignore the question of the role of the Chechen factor in the current social and economic situation. Recently people have frequently said that all the measures aimed at stabilization in the federal program drawn up by the federal authorities are foredoomed to failure, owing to the considerable costs connected with bringing the conflict to an end.

It must be acknowledged that there are grounds for concern.

In order to advance along the path of reform, we need a peaceful settlement. But for the time being the purely economic price of the conflict does not exceed the bounds of the budget deficit. The main price is different—human lives, violence, and intolerance.

At the same time people in the republic are not just shooting but also working. Rehabilitation work is on the increase. The carrying out of the sowing is ensured. Normal life is being restored, albeit slowly.

Taking account of proposals made by deputies and by representatives of public movements and religious confessions, the government has drawn up and submitted to the president an agreed plan of action for a peaceful settlement of the situation in Chechnya. We are also preparing fresh proposals.

Our view of the matter is unambiguous: We shall support any realistic steps leading to a peaceful settlement and bringing the end of the Chechen tragedy closer.

The future of the reforms depends directly on the success of economic policy in 1995. We should thoroughly learn the lessons of previous years. First of all, we should not relax and go limp throughout the financial year.

Of course, things are difficult already and will be even more difficult when seasonal factors come to bear fully on our work, when the situation in the second half of the year will again have us by the throat. If we again allow ourselves to believe that everything will be fine if we just inject a little money and switch on the money-printing presses, then we should simply forget about the economic reform and abandon our intentions to develop a viable and efficient market economy in Russia.

This is the main conclusion of all we did last year. We have not managed to stick to the trajectory of a consistent stabilization policy. As a result, we have a whole range of negative consequences in the social sphere, the weakening of the ruble, and a surge of inflation. All this has led to the fact that a number of provisions of last year's presidential message have not been implemented, including those relating to structural changes, support for industry, and the strengthening of scientific potential.

The market economy cannot tolerate a lack of confidence or sloppiness. We must be tough and persistent today. We should watch every penny and we should seek and find ways out of the most difficult situations. Life demands this from us. The main thing needed now is a political will for attaining a macroeconomic stabilization. It is not only the federal authorities which should have this will, but each one of you.

Stabilization is sometimes regarded as a kind of abstract well- being which descends upon us like manna from heaven, and everything is just fine. This is an illusion.

Macroeconomic stabilization comes when everyone starts paying in accordance with firm and clear-cut rules, living and working, earning a profit, and paying taxes according to written laws regulating the balance of interests.

The federal budget is the very foundation of this.

If we stick to the budget parameters, then as an annual average we will achieve an average monthly inflation rate of 4 percent. By the end of the year we expect to reach an inflation rate of about 1- 2 percent a month.

This is the arithmetic, or rather the financial ABC which we should all learn this year.

Of course, the most important issue is the **implementation of the budget**—both for income and expenditure. At present it does not have centralized credits. The appetite for expenditures has been considerably moderated. For the first time, it defined mechanisms for noninflationary financing of deficit.

In the old days we could have said that the budget is not realistic enough or had been adopted at the end of the year and that the government is not to blame.

The situation is completely different today. The budget is approved and there is no one to complain to . We can only complain about ourselves to ourselves.

That determines the tasks: first of all, we should have an **effective control over incomes**. It is hard to cite anything more topical than this. Think about such figures. Last year the tax shortfall in the federal budget increased by a factor of five. It has increased by a further 3 trillion rubles [R] in January and February.

I think we should make a very thorough examination here, above all, of the deferments of paying taxes

It is high time for the Finance Ministry to fulfill its direct obligation—to start collecting money instead of scattering it around in the form of tax deferments. The state taxation service should stop alluding to "objective reasons" and should begin thorough day-to-day work on collection of taxes. The most effective way is placing a lien on the property of legal entities for the arrears and call debtors to administrative and judicial account.

Once and for all we should understand a simple truth—taxes make up 80 percent of all receipts to the budget. Therefore, the budget and the entire economic policy will start working only if we start collecting the taxes.

The latest presidential decrees and a number of government resolutions are directly aimed at imposing order here. Their meaning is obvious and clear. New tax breaks will not be granted, all the existing ones will be thoroughly examined (many of them have already been abolished); all customs concessions will be revised; the procedure for collection of taxes will be upgraded, tougher control over the collection of deferred payments will be introduced, and other steps will be taken.

The most inadmissible are customs exemptions and reliefs. The shortfall in receipts from foreign economic activity in the first three months of the year came to over 4 trillion rubles. Therefore, we have started imposing order in the area of foreign trade. Vagueness here costs us a lot.

Instead of exporters with special rights and export quotas, we will introduce regulation, based exclusively on a tariff mechanism. The government will announce the introduction of a single minimum import duty rate in April. All tariff rates will be reconsidered on the basis of this. I am sure that all this will contribute to the increase in income to the budget.

A fairly alarming situation is developing as regards the receipts to the budget from privatization. Despite the fact that they are increasing from month to month, the sum, so far comes to only few tens of billion rubles, which is just a tiny fraction of the share envisaged in the budget of revenue for this year. What is the reason for this?

First and foremost it is inadequate work on legislation and enactments, and also the dragging out of organizational work in preparing for the second stage of privatization. This work slowed down at the end of last year and the beginning of this year. So talk about possible "renationalization" and mistakes in personnel policy have once again cost us budget revenue. That is what such irresponsible statements lead to.

Now the matter is being straightened out, and next week the government will examine a whole range of issues connected with the so-called post-voucher stage. Decisions will be adopted on the timetable for selling shares in federal ownership. Restrictive and prohibitive lists of all kinds will be cut back. Mechanisms will be identified to speed up the implementation of monetary privatization as a whole.

Another important reserve for strengthening budget revenue is the implementation of decisions already adopted by the government to develop the goldmining industry and the diamond complex. Extraction is falling in a country with enormous resources. As a result we are losing our place in the world market. In the near future the government will examine the conditions of work at these enterprises and adopt exhaustive measures jointly with the regions.

The fight for revenue is the direct affair not only of the Ministry of Finance and tax bodies. It is the work of the whole government, of all structures of executive authority, both in the center and in the regions. Everything must be geared toward this—bringing order into state regulation of prices and tariffs, the regulation of natural monopolies, and the normalization of the securities market.

Now for **expenditure policy**. If one talks about budgetary discipline, the government must begin with itself, paying out promptly what is envisaged in the plan of expenditure, especially for protected articles of the budget. We are gradually establishing order in this area, and we will complete the task.

Another issue: strict accountability in the targeted use of allocated budgetary resources. We will not be holding back here either. Currently we have several instruments for exerting such control. First, there is presidential decree no. 226, in effect since the beginning of March, which in brief boils down to a simple demand: if there is no additional revenue, then you must forget about any new expenditure.

Second, budgetary appropriations must reach their specific recipients through the federal treasury system.

What is the benefit here? First and foremost the increase in control over and protection of budgetary resources from unauthorized and untargeted use.

We have prescribed that the treasury should present the government with a monthly report. The implementation of the budget will now be examined every quarter at a sitting of the government so that measures can immediately be adopted and conclusions drawn.

Federal treasury summaries and reports are highly important documents which every head of administration must know like the Lord's Prayer, because they are currently the only reliable source of information on the state of regional and territorial budgets.

The untiring efforts of individual regions to get themselves extra funds from the budget under whatever pretext have become legendary. The phenomenon is understandable. The beginning of this year is no exception. Look at what is happening in practice. The balance of budgetary resources in the budget accounts of federation components on 1 February this year came to almost 4.4 trillion rubles, and increased by 600 billion since the start of the year. The balance exceeds 100 billion in republics such as Komi, Moscow, Samara, Sverdlovsk, and Perm Oblasts, Krasnodar and Krasnoyarsk Krays, and the Republic of Dagestan.

There were around 300 billion rubles in accounts in the Republic of Bashkortostan. There were nearly 600 billion in Moscow city. That means funds are available. And they have not been utilized. And how much pleading and weeping went on here? And this is the interesting point: These same regions have deferred debts in terms of the payment of wages to workers in the budget-financed sector, and also in terms of the financing of other spending of a social nature. Who can benefit from "savings" of this kind?

Even more questions arise once you have seen the documents coming from watchdog and audit inspections.

As a rule, they reveal that large sums, above all from the federal budget, are being used for purposes other than intended.

Thus in Tomsk oblast, Viktor Melkhiorovich Kress, the head of administration, has directed that 3 billion rubles from the funds for supporting goods deliveries to northern regions be placed in deposit accounts in commercial banks. In the Koryak Autonomous Okrug, these budget funds were spent to buy an airplane for the administration. In the Nenets Okrug, all sorts of business trips to the capital of Russia and to other regions have been paid for. Even the Ministry of Nationalities Affairs and Regional Policy—a federal ministry (!)—used funds from the Program for the Settlement of the Russian Germans to pay, in effect, for employing extra officials. How can that be accounted for? The only explanation could be that the minister was absent for a long time.

The Russian Federal Employment Service is also "misusing" state funds in deposit accounts.

The Roskhlebprodukt has received a budget loan for purchasing grain and grain products and for the maintenance of grain product centers—and has used nearly R27 billion from it to finance commercial organizations set up under this corporation.

An inspection at 59 enterprises of the Rosugol coal industry company has shown that purpose-allocated state funds for supporting production are often used elsewhere. Granting loans and credits on favorable terms to commercial structures has become widespread. It is [Fuel and Power Engineering] Minister Shafranik's direct responsibility, as well as that of the Committee for the Coal Industry, to look into this and to take harsh measures.

All these examples—and in fact there are far more of them—are evidence of the poor degree of organization and overall state of financial control in the country. Possibly throughout Russian history the state control over its own finances has never been so slack. The Finance Ministry has to take what I have said as meaning that the ball is in their court. The government in general also has food for thought.

A law on financial control will, of course, be drawn up and submitted to the State Duma. But the most important thing is that all tiers of executive power should be held strictly to account. It is the official duty of those in high positions of power to protect the budget, and to make sure that it is implemented within the approved parameters.

There is another major issue that I have to mention. We have gone over to a new scheme for financing the budget deficit. External loans will be used as a means of reserve policy and to service the foreign debt. This instrument, however, will apply only to this year, to 1995. In 1996 there will not be any new credits reaching this level. Indeed, we ourselves will not take such credits. Next year the state securities market will be the main source.

This is why it is necessary to take measures right now to make sure that an instrument such as state short-term bonds works reliably and systematically so that together with issues of shares in privatized enterprises it may become a kind of driving force of the Russian share market.

I would like to specially emphasize the pressing necessity of developing this most important institution of modern economics in our own, our Russian conditions. It is here, namely, that the fate of privatization, the sources of future private investments, the inflow of foreign capital, the stopping of the activities of all sorts of swindlers, and the conditions for implementing many social programs are indivisibly linked together: this includes housing, pensions, and the minimum wage.

Unfortunately, we are behind schedule here, too: the government with the implementation of decisions that have already been adopted and parliamentarians with the adoption of the following laws: "On the Securities Market," "On Joint Stock Companies," and "On the Central Bank." I hope I will get understanding and cooperation here. Especially as not finding a solution to all these matters might complicate the drawing up a draft budget for 1996. This has to be adopted this very year before the new elections to the Federal Assembly. This is the task we are setting ourselves and this is the task we shall be working on.

The drawing up, by not later than 1 July 1995, of a medium-term strategy for a taxation budget policy aimed at reducing the budget deficit to a level of 4-5 percent of the gross domestic product for the year 1996 and to a level of around 3 percent of the GDP in 1997 is another major issue.

Naturally, such a strategy will naturally enough include concrete proposals for improving the taxation system and taxation legislation—or, in other words, the concept of tax reform.

Measures will be continued for reducing the number of taxes, simplifying the procedure for raising taxes, extending the tax base, and enhancing the role of income tax and taxes on the assets of physical persons.

The main aim is palpably to reduce the tax burden on everyone who wants to and is capable of working efficiently. In June 1995 the government will submit for the Federal Assembly's examination a new taxation code which will strengthen the legislative base of the taxation system.

Cooperation between the government and the central bank is of tremendous importance for carrying out a confident fiscal policy. It must be said that there have been signs of improvement here. Today we are united as regards the main thing: understanding which steps have to be taken to stabilize the economy. This common view and likewise our mutual obligations were set out in the joint statement on economic policy for 1995.

I hope that it will be clear to everyone why I have dwelt in such detail on issues of financial policy. This is today the most important condition for stabilization. Another thing, however, is equally understandable—the formation of a market economy demands the resolution of a whole complex of interrelated tasks. This includes the restructuring of industry, enterprise rescue packages, bankruptcy, private ownership of land, and much besides. It is precisely such an integrated approach, along with day-to-day regulation, that the long-term action program requires.

The implementation of the president's Message is also very closely tied up with the implementation of the medium-term program of the government. In fact the latter is the detailed "elaboration" of the basic provisions of the Message in the plane of social and economic policy.

The draft document has been distributed to you. The philosophy of the fundamental approaches is quite well known. We have, in essence, been discussing them since last summer, and, in essence, we have now been living and working on the basis of the main provisions of this document for more than two months. The old problems that comprised the content of the previous government program, adopted in the conditions of grave crisis in August 1993, have been partially resolved. New problems and new opportunities arise.

Of course, a program is not a dogma. A week ago we discussed it in the government. I will say plainly that views differed somewhat on a number of the draft's provisions.

This particularly concerns the agrarian sphere, social policy, support for science and for culture, and the problems of ecology. I think that thanks to today's debate, your suggestions will make the proposed program all the richer in content.

I have already touched upon the problems of financial and budgetary policy, which form the core of the medium-term program. However, whatever the significance of the macroeconomic problems and proportions, the basic intent of the program is both deeper and broader.

The essence of the new stage of reform is that, as a result of the stabilization of finances and reduction of inflation, **we should ensure a renewal of economic growth on the basis of encouraging highly efficient investment.** For it will no longer be any good simply to set the previous productive capacities going again. What we need is a different kind of production, which uses high technology and is competitive.

Of course, economic growth does not come about as if by magic, just because some "leader" wishes it. It comes only when the objective conditions for it exist. We will have to be working on the creation of precisely such conditions in the course of these three years.

In fact, **our program is very much a plan for building the bridge "between the inflationary past and the investment-oriented future"** that Boris Nikolayevich Yeltsin spoke of in his Message.

The draft program also proposes a specific mechanism in order to get this bridge built fairly quickly, and for it to stand firm, not swaying from the blows of waves of inflation, nor bending under the load of lobbyist claims.

The reliability of this bridge depends on the depth of institutional transformations in the economy, on the solidity of legal guarantees, and on the fullness and thoroughness of the corresponding legislative base. Much has already been done here. First and foremost, the first part of the Civil Code, a fundamental document for the new economy, has been put into effect.

This year we are going to submit 52 important bills for consideration by the State Duma, bills that have the purpose of guaranteeing the necessary legislative basis for development of the market economy.

Among these are the second part of the Civil Code of the Russian Federation, the Housing Code, the Code of Civil Legal Procedure, and the Laws on State and Municipal Land, on Limited Companies, on Production Cooperatives, and on Bookkeeping and Accounting.

We will not be able to get by this year without revision of the law on insolvency (bankruptcy), and of the laws on immunity of the state and of state property, on state support for small enterprises, on natural monopolies, and on mortgages.

What we expect from the deputies of the State Duma is constructive and, most important, harmonized work, so that in the time remaining until the election, we can lay the legal foundation for the market economy.

The program that has been presented cannot, and in essence should not, be imagined as some kind of detailed "plan of work" for the sectors of the national economy. It defines only the basic trends of structural policy for the coming three years. On this basis each ministry, each department will draw up its own program to develop their branches of industry and these will have room not only for common approaches but also for specific figures, etc.

At the same time I would like to dwell on the strategy, outlined in the program, for developing the **agro-industrial complex**. The agro-industrial complex policy still represents an arena of most heated debates and conflicts of opinion.

Which way are we to go? What exactly shall we support whatever the cost and by all means? To what extent are we going to protect our agricultural producers from the competition on the food market? How are we to bring about the situation where the Russian farmer will be able to feed the people, his own country?

What can we, the government do to overcome the crisis and to stabilize agro-industrial production, to try to ensure that 1995 becomes the year of real agricultural reform, as is outlined in the president's Message?

First, we plan to speed up the implementation of the land reform. This is crucial. Therefore, our top-priority task is strictly to carry out the presidential decree on regulating land tenure and the development of agricultural reform in Russia.

We will move forward by creating a market infrastructure, including first and foremost a credit mechanism, a network of wholesale trade and exchanges dealing in agricultural production, an intermediary link in the foodstuffs complex.

The strategy of state support for the agro-industrial complex will be aimed first of all at stimulating demand for products, which will have an eventual effect on the producer.

We are in favor of sensible protectionism toward our producers, including through an appropriate tariff policy. One must, however, learn to stand on one's own feet eventually. Therefore we will carry out selective measures to improve the financial state of insolvent debtors and switch to providing credit to agricultural producers against the security of the future harvest. This will enable us to concentrate state support where it will produce the biggest economic effect.

Now to move on to another sphere which requires a special approach— **social** issues.

The government program plans to increase the effectiveness of social policy, to take necessary measures against growing unemployment, excessive differentials in incomes, wealth, and poverty, and to support reforms in the social sphere.

Once again, what is important here is **the ways** of solving these problems, such as providing financing mechanisms and most of all making sure that the funds do indeed reach those who need this help.

Social policy is to be directed at opening up for various groups and strata of population new opportunities to realize themselves in their work, and at containing the scale of unemployment. The process of restoring savings devalued by inflation is to begin. We plan to ensure that the gap between the minimum wage, the minimum pension, student grants, allowances, and the subsistence minimum is gradually bridged. At the same time the makeup and the structure of the subsistence minimum is to be reviewed. We shall be using the mechanism of partial index-linking of money incomes in the form of periodical compensation payments.

The above-mentioned tasks follow directly from the president's Message. They are realistic. Adequate mechanisms are needed to achieve them, however—not just economic but also **policy and organizational** ones.

The most important thing is to **ensure coordination and consistency in the work of all branches and levels of power**. Much has been done lately to ensure this unity at the federal level.

Constructive cooperation and mutual understanding between the executive and the legislature is being established. One example of this was the long and in all respects fruitful work on the budget, which was crowned by its adoption both by the State Duma and by the Federation Council. There is still considerable room for improvement in our interaction, however.

New mechanisms of cooperation between the federal authorities and the regions are being formed.

Unfortunately we do not always act with precision and tact in ensuring that constituent parts of the federation enjoy equal constitutional rights. This concerns all sorts of privileges, an area in which sometimes different standards are applied. This is above all our shortcoming. Let us make amends.

Another problem often raised by regional leaders is that of the role and the place of territorial bodies of federal ministries and departments. It is here that we sometimes see "lack of coordination" between the center and the territories. In some regions the number of these "federal representative missions" is higher than the number of power bodies in the component of the federation. Duplication of their functions is quite common, resulting in confusion.

I believe that some territorial bodies evidently should quite simply be abolished, or we can introduce dual subordination instead, linking them up with analogous organs of power of the components of the Federation.

Much will have to be done to support the establishment of **local self-government**.

Increasing the effectiveness of state power is inseparable from **intensifying the fight against crime and terrorism**. A number of bandit-like acts and murders carried out recently are justly regarded as manifestations of an increasing criminal terror and as a challenge to the policy of democratic reforms. The criminals' impunity and the lack of perceptible results in the investigations being carried out are evidence of serious inadequacies in the work of bodies of authority, first and foremost in law enforcement.

However, another thing must be recognized: that we will only achieve a breakthrough in the situation in this sphere when we begin a decisive attack on the economic roots of organized crime—on corruption and theft in financial and credit and banking operations; the smuggling and illegal export of raw-material resources; fraudulent operations with the population's money; the pirating of goods for sale on the consumer market; unscrupulous advertising; and tax dodging on a massive scale in retail trading.

Our duty before the law and our conscience is to pull the rug from under the feet of the criminal "bigwigs" and ensure that honest business in Russia is also the most profitable.

Another most important condition for the implementation of our entire policy is **improving the system of bodies of state administration, improving the quality of their work**.

It is here, in practical administrative work on implementing our policy, that we still have many deficiencies.

First of all, this concerns organizational matters and the level of executive discipline. We keep on adopting laws, we adopt programs, decrees, and resolutions. The specific question, however, of how and what exactly we should be doing is left hanging in the air.

Regrettably, this bad habit also affected the implementation of the president's Message "On Strengthening the Russian State System" last year. Owing to the fault of ministries, departments, and the government apparatus, in other words, owing to the indiscipline and sloppiness of a few officials we failed to adopt several documents fundamentally important for the reform.

For instance, one of the essential tasks of 1994 set out in the president's Message was establishing a modern system of accounting and starting the in-depth reform of the Central Bank.

According to the government action plan, the Central Bank was instructed to work out a concept of reorganization of the banking system by August 1994. We still do not have it to this day. It seems that the bank is waiting for the Duma to adopt further banking legislation in order to act upon it.

To abide by the law is a very commendable virtue, but what should one do when there is no law and life is moving on apace? After all, the concept has to be enshrined in the law. At the moment we do not have either.

It is like in the fairy tale where the old couple wrestle with the problem of pulling up the giant turnip. The decision to be made on vital questions of the banking sphere still hangs in the air.

In his message last year the president ordered the introduction of secured loan operations, including the state registration of secured loans. In connection with this, the Economy Ministry should have prepared a draft Law "On Secured loan Operations" by October 1994. This did not happen. A request was made to postpone the preparation of the document until 1 April 1995. How this affects economic policy is, I hope, clear.

The Ministry of Finance was also instructed to prepare the government Decree "On Consumer Credit Development" by September 1994 as well. The ministry played pass the parcel with this issue, passing it on to the Bank of Russia. The Bank of Russia then passed it back to the Ministry of Finance. The upshot was that no decision at all has been made.

The State Committee for the Management of State Property wrapped up in red tape the question of preparing the federal Law "On State and Municipal Enterprises" the deadline for whose preparation passed in November 1994. And still we say that the reforms are not making progress!

There is still too much bureaucracy and paperwork in the way executive work is organized. We are getting too carried away with the setting up of various commissions. Only last year 75 of them were set up! Many of them are simply redundant.

This also concerns the system of the state administration bodies as a whole. The administration apparatus is excessively bloated. In the last two years it has grown by more than one fourth and now its personnel exceeds 1 million! (True, I must say that on the federal level the share is relatively small—only 37,000. But even here, if you look hard enough you will find considerable reserves).

There exists a direct instruction from the president on the reorganization of the administrative apparatus and reduction of its personnel. A commission has been set up (yet another one!). However, there have been very few suggestions so far. And yet without reform of state administration, without improvement in its efficiency, no economic reform will take place.

The years that have passed since the start of reforms in Russia have shown that it is not possible to establish a socially oriented market economy without a strong state.

"Strength" here, however, does not mean increasing the scale of the state apparatus or expanding the sphere of operation of repressive measures.

Strength here means primarily working efficiently, implementing decisions in a disciplined manner, and being capable of achieving the aims that have been set.

In this sense 1995 also has to be a year of breakthrough. If we fail here we shall not achieve anything worthwhile. It is particularly important to understand this in the year when elections are to be held. It is Russia and its future which should be the winner in these elections! It is toward this that all of our work must be directed.

'Disastrous' Crime Situation Viewed

LD2903112895 Moscow Russian Television Network in Russian 1000 GMT 29 Mar 95

[From the "Vesti" newscast]

[FBIS Translated Text] [Unidentified correspondent] It is 28 days since the killing of Vladislav Listyev. However, the organizations involved in the investigation have no leads. Murders continue, and the crime situation in the country is not getting better by any means.

[Begin Vladislav Selivanov recording, first deputy chief of the Interior Ministry directorate for organized crime, identified by caption] A truly disastrous situation has arisen, and I am not afraid of saying so. The state, society, and crime-busting organizations are visibly losing control of the crime situation. [end recording]

[Correspondent] Speaking about ways of improving crime-fighting methods and collaboration with private security organizations, Selivanov said that this can be effected under the Interior Ministry directive of 17 November 1994 on cooperation between state law enforcement bodies and private security firms. As further noted by the first deputy chief Orlov [as heard], relations between the Interior Ministry, investigative bodies, and private companies were initially not successful because of mutual mistrust. But the situation is slowly improving. Links have been established with many private security firms, mainly with security departments of large and medium-sized commercial banks. As a result, some of them came out of mafia's control. Senior officials at the directorate for organized crime understand that some private security firms are trying to use state bodies in their own interests. Some criminal groups are masquerading as private security companies. But there is no point in generalizing.

[Begin Selivanov recording] There are instances of private security firms trying to use us to resolve their own financial problems. Nevertheless, taking an objective view of things, we are unreservedly in favor of collaboration. [end recording]

Military & Nuclear Issues

Grachev Signs Zhirinovskiy's Lieutenant-Colonel Promotion

LD2903163295 Moscow ITAR-TASS in English 1532 GMT 29 Mar 95

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Transcribed Text] Moscow March 29 (TASS)—Russian Defence Minister Pavel Grachev has signed an order promoting nationalist leader Vladimir Zhirinovskiy to the military rank of Lieutanant-Colonel in reserve.

A source in the Defence Ministry told ITAR-TASS on Wednesday that the order was signed by the minister on March 27 "in connection with the 50th birthday of Vladimir Volfovich."

The press service of the Liberal Democratic Faction in the state Duma told TASS today that Zhirinovskiy's early promotion (previously he had the rank of Captain in reserve) was a result of his "outstanding contribution to the strengthening of the motherland's defence and increasing of combat readiness of the Russian armed forces."

Foreign Cooperation in Nuclear Industry Viewed

LD2803134695 Moscow ITAR-TASS in English 1302 GMT 28 Mar 95

[By ITAR-TASS correspondent Veronika Romanenkova]

[FBIS Transcribed Text] Moscow March 28 TASS—Joint ventures with foreign countries will possibly be shortly set up at nuclear centres in closed cities of Russia's nuclear arms complex. This is one of the most effective ways of preventing unemployment in ten such cities. Viktor Mikhailov, the Russian minister for nuclear energy, said this on Tuesday [28 March] at a meeting of the ministry's collegium which was attended by Russian First Deputy Prime Minister Oleg Soskovets.

The minister said that the situation in the nuclear arms complex is rather difficult. Because of the shortage of funds, the volume of the commission from the state for the defence industry was halved in July last. As a result of this, defence industry enterprises have become inslolvent although they wholly fulfilled the commission from the state for the manufacture of nuclear ammunition and for accumulation of special materials.

Mikhailov believes that military-to-civilian conversion is one of the ways out. Some 20 projects have already been completed, including the creation of a fundamentally new source of energy, electrochemical generators, of medical equipment and of fibre- optical communications lines.

Joint ventures in closed cities should be engaged in the manufacture of products with the use of this research, Mihkailov believes. He said one such joint venture has already been formed with a Turkish-Canadian firm which manufactures automatic telephone exchanges.

On the whole, the minister is "quite pleased with foreign economic cooperation" of the Ministry for Nuclear Energy. The ministry's exports in 1994 were in excess of one billion dollars, a 20 per cent increase on 1993.

However, the "antidumping investigation" remains the chief obstacle to Russia's entering the world nuclear market. (The former USSR was accused of dumping products several years ago). Mikhailov said Russia loses annually 100 million dollars due to this. The antidumping campaign has also led to the bankruptcy of the U.S. Concord firm, with which the ministry for nuclear energy cooperated in uranium sales. The firm's debt to Russia amounts to 120 million dollars. The minister said everything will be done to recover this money, not stopping at bringing a lawsuit against the U.S. Administration.

Federal Assembly

Quick Settlement Sought in Black Sea Fleet Issue

LD2803122495 Moscow ITAR-TASS in English 1229 GMT 28 Mar 95

[By ITAR-TASS correspondent Sergey Ostanin]

[FBIS Transcribed Text] Moscow March 28 TASS—"The parliamentary commission for the Black Sea fleet plans to call on the Russian president and government to urgently settle concrete problems linked with the vital activities of the fleet and the creation of normal working conditions for its personnel," Konstantin Zatulin, head of the commission and chairman of the Duma committee for the affairs of the CIS and for relations with fellow-countrymen told journalists in Sevastopol today.

As earlier reported, a group of Duma members, led by Zatulin, met on Monday Admiral Eduard Baltin, commander of the Black Sea fleet, members of the fleet's Military Council, representatives from the Sevastopol public circles. It also visited several military installations and warships.

A report received from the press centre of the Black Sea fleet says that the fleet's command had expressed its desire to cooperate with the Duma commission. Agreement was reached on concrete plans for further joint efforts.

According to the press centre, commanders of the fleet's units and contingents drew the attention of the mps to the need of unilaterally reducing the number of units and fleet bases. They also expressed concern that the Ukrainian leadership was increasingly regarding the fleet and its personnel as an alien force, which is being subjected to every kind of pressure.

The Russian mps were told that the local authorities, eager to oust the fleet, its personnel, and their families from Sevastopol and the Crimean peninsula as a whole, were boosting taxes and other levies from the fleet, were cancelling privileges to servicemen, and increasing the land rent. For instance, on decision of the Ukrainian authorities the rent that has to be paid for the deployment of the 126th Coast Guard Division of the Black Sea fleet this year amounts to 123 million U.S. dollars.

The fleet's officers informed the mps about their assessment of the efforts exerted by the Russian Government delegation during the talks with Ukraine.

ITAR-TASS was told at the press service of the Duma committee for CIS affairs that after a two-day stay in the Crimea Zatulin will fly from Sevastopol to Lugansk today to attend the work of the Council of Heads of Russian and Ukrainian border regions.

Zatulin Plans No Confidence Vote

LD2903104695 Moscow Ostankino Television First Channel Network in Russian 0952 GMT 29 Mar 95

[From the "Novosti" newscast]

[FBIS Translated Text] Konstantin Zatulin plans to start in the Duma the procedure for a no confidence vote in the government, if the appeal by the lower chamber of the Russian Parliament in connection with the division of the Black Sea Fleet [BSF] is not heard by the president and the government. This was announced by the chairman of the Duma Committee for CIS affairs at a news conference, which was held in Moscow by the delegation of members of the Russian Parliament led by him, on their return from Sevastopol.

Zhirinovskiy 25 Mar News Conference in State Duma

LD2503174895 Moscow 2x2 Television in Russian 0700 GMT 25 Mar 95

[Passages contained within quotation marks are recorded]

[FBIS Translated Text] One more member of the LDPR [Liberal Democratic Party of Russia] faction sent a notice on Friday [24 March] that she is leaving the faction. This resignation notice of Larissa Maksakova, deputy coordinator of the LDPR's Moscow regional organization, was read out at the session of the chamber by State Duma Speaker Ivan Rybkin.

[Correspondent] Nobody got away without a telling off at Vladimir Zhirinovskiy's news conference in the State Duma. The deputies were accused of lacking state thinking, because too many among them are hairdressers, artists, poets, but there are no statesmen who understand what is taking place in the country. The mass media, in the person of Aleksandr Yakovlev, were also not forgotten:

[Zhirinovskiy] "He is a limping devil, he is our monster, our genius, who will torment us until he dies."

[Correspondent] In his evaluation of the government, Zhirinovskiy was categorical:

[Zhirinovskiy] "They are doing all this themselves, they are doing everything, they are provoking these conflicts, like all this perestroyka. All this privatization is a provocation."

[Correspondent] If there is anything good in our country, then it is the Kremlin:

[Zhirinovskiy] "For the time being no people have been killed there recently. The lights are on and there is hot and cold water: the last bulwark of civilization."

[Correspondent] Moreover, the LDPR leader foretold that Russia will turn into a second-rate colony, and that Russia's population will drop to 90 million by the start of the 21st century.

Duma Body Drafts Amendments to Constitition

LD2303210195 Moscow INTERFAX in English 1802 GMT 23 Mar 95

[FBIS Transcribed Text] Moscow, Mar 23 (INTERFAX)—The State Duma Legislation Committee has drafted amendments to the Constitution and plans to submit them to one of the closed sessions of the Duma, the lower house of the Russian Parliament.

The committee informed Interfax Thursday [23 March] that the amendments would expand the powers of the Duma in forming executive bodies. The president should have the consent of the chamber in appointing deputies of the prime minister, the ministers of defense, the interior, foreign affairs and the chiefs of the Federal Intelligence Service and the Federal Security Service, not just the prime minister which is the current constitutional norm.

The amendments also complicate the procedure of the dissolution of the Duma by the president requiring the consent of the Constitutional Court.

Besides, MPs want to give the houses of the Federal Assembly the right to hold joint sessions not only for listening to the annual message of the president but also the messages of the Constitutional Court and the heads of foreign countries as well as in other cases decided by the chambers.

One more draft amendment would give the houses of the Federal Assembly the right to set up investigation commissions with obligatory attendance and submission of documents.

The constitutional amendments require a majority of two thirds in both houses and the support of legislative bodies of at least two thirds of federation members.

Federation Council Rejects Media Law Amendments

MM2203091395 Moscow ROSSIYSKAYA GAZETA in Russian 22 Mar 95 First Edition p 16

[Unattributed report: "At the Federation Council"]

[FBIS Translated Text] The Federation Council has rejected in a decree the federal law "On Amendments and Additions to the Russian Federation Law 'On the Mass Media'" because some of its provisions are unacceptable. The State Duma has been instructed to make changes to certain provisions of the rejected federal law and to set up a conciliation commission.

The Federation Council has confirmed in a decree the following Federation Council representatives on the CIS Interparliamentary Assembly Standing Commission for legal issues:

Yelena Borisovna Mizulina, deputy chairman of the Federation Council Committee for Constitutional Legislation and Judicial and Legal Affairs;

Valeriy Mikhaylovich Adrov, deputy chairman of the Federation Council Committee for Federation Affairs, the Federation Treaty, and Regional Policy (as part of the subcommission for local self-government in the CIS states);

and Oleg Petrovich Korolev, member of the Federation Council Committee for the Budget, Financial, Currency, and Credit Regulation, Monetary Emission, Tax Policy, and Customs Regulation (as part of the subcommission for local self-government in the CIS states).

State Duma Rejects Draft Land Code

MM2803103395 Moscow SELSKAYA ZHIZN in Russian 25 Mar 95 p 2

[Report by Raisa Gubanova and Tamara Lezhnina under the "In the State Duma" rubric: "Land Code Rejected Again"]

[FBIS Translated Text] After eight months' work on the Land Code, the State Duma Committee on Agrarian Questions finally submitted it to the Duma corps for examination. After 40 minutes' discussion the draft law was rejected.

There was criticism from both left and right. Some maintained that this law prepares the ground for a new "agrogulag." Others accused the agrarians of seeking to squander land in an unrestricted manner. It all happened because the drafters had tried to combine two different draft laws in the document submitted: a government one and a "Russia's Choice" one.

A spokesman for the Communists' faction said that an attempt was being made in the code to legitimize private ownership of land and its free buying and selling. Meanwhile, it is a fact that approximately 96 percent of kolkhozes and sovkhozes in the country have already been reorganized, and land has gone from state ownership to collective-shared and collective-joint ownership. Citizens and legal persons have a right to hold land in private ownership, and the draft law grants components of the Russian Federation the right to regulate these relations depending on the targeted purpose, with due regard for the region's natural and economic conditions and the population's traditions.

At the same time the right to establish the maximum and minimum sizes of plots of land transferred to citizens' ownership from state and municipal lands for peasant (private) farming, as well as for horticulture, livestock raising, truck farming, and dacha construction, is granted to components of the Russian Federation, while for the private subsidiary sector and individual housing construction it is granted to organs of local self-government. This provision must be one of the factors deterring the formation of large private possessions (latifundia) and must prevent the excessive subdivision of plots of land.

The draft law proceeds from the need for state regulation of this process on the basis of sensible restrictions. These include a ban on the unauthorized changing of targeted land use; a ban on deals which lead to violations of agrotechnical, urban development, ecological, and other special demands; the consent of organs of local self-government; the private farmer's pledge to use and not sell land for 10 years after receiving it; the sale of agricultural organizations' land no sooner than five years from the introduction of this code; and others.

The draft law also provides for measures of responsibility for the rational use and safeguarding of land. In particular, it proposes the confiscation of a plot of land from its owner for a deliberate and systematic violation of land legislation.

Another feature of the document was emphasized by A.A. Chernyshev, chairman of the Duma Committee on Agrarian Questions. Citizens and legal persons of the Russian Federation are participants in land relations, as well as the Russian Federation, its components, and municipal formations. Foreign citizens and persons without citizenship can act as participants in land relations only if they lease plots of land.

It was, however, these provisions—on the division of lands into federal ownership and ownership by components of the Federation and municipal ownership, the moratorium, and the restriction on land sales—that did not suit the "Yabloko," "Russia's Choice," and Liberal Democratic Party of Russia factions. The vote showed who favors "black repartition."

The fact that many deputies, despite being present in the hall, did not express their true attitude to the draft law should also not be ignored. They voted neither "for" nor "against" and did not even abstain.

The deputies sent the document back for new additional work. Thus, there is still a legal vacuum in land legislation, which will be filled by temporary acts which do not always take the peasantry's interests into account. The issuing of certificates of land ownership to all landowners will be ensured, and the process of holding land auctions will be accelerated. It is proposed to abolish the restrictions imposed by a number of components of the Russian Federation and by local authorities on the sale of leased land and of buildings and structures designed for commercial activity by privatized enterprises.

So, by sending the draft code back for additional work, the deputies have not halted the black repartition. Rather the reverse—they have lifted the barrier.

State Duma Passes Act on Conscripts' Service

LD2403163995 Moscow INTERFAX in English 1355 GMT 24 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 24 (Interfax)—As proposed by the Yabloko faction leader Grigoriy Yavlinskiy, conscripts will serve only in the Armed Forces and the Border Guards. His motion was carried by 289 votes in the State Duma. The act entitled "The Emergency Steps in Drafting Act" was thus passed on the whole in its third reading.

According to Aleksandr Piskunov, deputy chairman of the State Duma Defense Committee, 53 percent of conscripts were once used as free labor. He said that under the Constitution, conscripts are drafted to protect the country and thus the act applies only to service in the Armed Forces and the Border Guards.

The committee motion to have 10 percent of conscripts serve in the Interior Units of the Interior Ministry failed, as did the motion that all graduates of institutes of higher learning be drafted, whether there be a military-training department in their institute or not. A motion under which all draftees would serve two years (service is currently for 1.5 years in land forces and two years in the navy) was also declined.

Ayvars Lezdinsh, MP, said that as long as Pavel Grachev is defense minister and the unconstitutional actions of the federal troops inside Russia (in Chechnya) continues, as few as 5 percent to 6 percent of the desired number of conscripts will actually be drafted in the spring.

The hearing and voting were held behind closed doors, as proposed by Colonel General Mikhail Kolesnikov, General Staff chief.

Regional Affairs

Shumeyko: Major Say for Russian Component States

LD2803163895 Moscow ITAR-TASS in English 1443 GMT 28 Mar 95

[By ITAR-TASS correspondent Vitaliy Ilgov]

[FBIS Transcribed Text] Belgorod March 28 TASS—Separation of powers between the federal centre and Russia's component states should originate from the states and be based on their charters, Russian Federation Council Chairman Vladimir Shumeyko said here today.

Shumeyko chairs a field meeting of the Federation Council's coordinating committee for relations of the Russian parliamentary houses with legislatures of Russia's component states.

The meeting discussed issues concerning the drafting of territorial, regional and autonomous areas' charters and their conformity to the Russian Constitution and the federal legislation.

Subjects of the meeting included coordination of law-making activities of the Russian parliamentary houses and progress of a drafted federal law on the formation of the Federation Council, or the upper parliamentary house.

The meeting was attended by Federation Council members and leaders of executive and legislative authorities of Russia's Chernozemye (Black Earth) regions.

The meeting endorsed Shumeyko's move to recommend the draft charter of the Belgorod region which had been passed by a local Duma as a model document for Russia's component states.

The coordinating committee outlined priority directions in the development of the Russian statehood for a transitional period.

The committee heared a report of Russian acting Prosecutor-General Aleksey Ilyushenko and expressed serious concern over the crime situation in Russia.

'Negligence' Behind Misfiring of Su-25 Missiles

LD2803191595 Moscow ITAR-TASS in English 1844 GMT 28 Mar 95

[By ITAR-TASS correspondent Sergey Ostanin]

[FBIS Transcribed Text] Moscow March 28 TASS—A Russian Su-25 warplane accidentally fired six combat missiles when it took off from the military airfield in the Krasnodar region late on Monday [27 March].

TASS learned the details of the accident from an officer at the headquarters of the air forces unit deployed five miles off the city of Krasnodar (750 miles south of Moscow).

According to the source, the six missiles had been mounted on the plane "with violations of safety rules due to negligence of the technical staff in charge of aircraft ammunition." As a result, the missiles were accidentally fired when the plane took off.

Three missiles exploded in the air. The other three fell on the territory of the "Solnechny" state farm. "One hit a tree, another ruined a telegraph pole, while the third damaged the attic of a country house. They caused no casualties," the officer said.

The case has been handed over to the military prosecutor's office, he added.

Reportage, Commentary on Conflict in Chechnya

Officials Seeking Dudayev Interviewed

954F1890A St. Petersburg SMENA in Russian 22 Mar 95 p 3

[Interviews with Federal Counterintelligence Service Colonel Ruslan Labazanov and Mayor of Groznyy Beslan Gantemirov, by Vladlen Chertinov; place and date not given: "Dzhokhar Dudayev's Mortal Enemies"]

[FBIS Translated Text] **Dzhokhar Dudayev is elusive. Despite all sorts of warrants for his arrest and all-Russia manhunts, the special services cannot get on the trail of the Chechen president. Or they do not want to. But this does not mean at all that Dudayev has a long and safe life ahead of him. Even if Dzhokhar Musayevich suddenly decides to make peace with Russia, fake his own funeral, or leave the country, the search for him will continue. As a minimum, two men, who have declared a vendetta on the strategic aviation general, will be looking for him. They are Beslan Gantemirov and Ruslan Labazanov, who lost their cousins. Chechens who declare a vendetta are in no hurry. They can wait for years for an opportunity, and therefore can always easily spare time for an interview.**

Ruslan Labazanov, an Abrek in the Uniform of a Federal Counterintelligence Service Colonel: "I Am Saving the Nation and Exterminating the Guilty"

RUSLAN LABAZANOV is a television star. One can hardly find another television hero like him. Journalists love to compare Labazanov with Robin Hood and to film his group, all bedecked with machine guns and cartridge belts. In Chechnya, opinions of him run the full gamut. Some call Labazanov a criminal, on whose conscience there are at least 46 deaths. But there are also some who speak of him as the most noble and courageous Abrek in Chechnya. Even opposition members disagree in their opinions of this man, and you will hear from them not only that Labazanov handed R24 million out of his own pocket to aid refugees, but also that in the course of military operations against Dudayev he has not fulfilled even once the task set for him. But even the nastiest rumors do not keep Labazanov from constantly being in the center of attention, handing out autographs to Russian generals, and appearing on television one day with musician Yuriy Shevchuk, and another with Federal Counterintelligence Service [FCS] chief Sergey Stepashin. (One can hear lively comments in Chechnya regarding the latter promoting the 32-year-old Labazanov to the rank of colonel.) But the most impressive part is not even this, but Labazanov's fantastic, devilish luck. Last year alone, the Abrek walked into a bomb trap three times, and once eight

bullets were pumped into him. On all four occasions, Labazanov miraculously survived; he himself attributes his amazing tenacity to supernatural factors.

[Labazanov] Luck is God's gift. They tried to blow me up—I survived; they shot at me—I survived; I fell from the seventh floor—and also survived. This is not my doing, however. It is just that apparently I do such things that God helps me.

[Chertinov] What do you do these days?

[Labazanov] Right now we are helping refugees—I sent 6,000 people, mostly from the Russian-speaking population, from here to different regions of the country. We bury the bodies of Russian soldiers and Chechens. Invite Russian and Chechen priests and hold joint funerals. We conduct negotiations to keep our villages from being bombed, and make it so that people themselves take Dudayevites out of their villages; we get them acquainted with military commanders. And a lot of other things.... Right now I am saving my nation. A defenseless and naive nation. And exterminate those who are to blame.

[Chertinov] What were your talks with Stepashin about?

[Labazanov] Nothing in particular. There was only one meeting on defining combat tasks.

[Chertinov] There are rumors both in Chechnya and in Russia that Labazanov allegedly has defected to Dudayev again, has said that he wants to atone for his sins with blood, and has begun fighting against Russian columns. There is also a legend about how you lured 50 Russian tanks into a bog.

[Labazanov] None of this is true. This is done on purpose, in order to set the Russians against me. I cannot support Dudayev, because our family has declared a vendetta on him. I have my own idea: destroy him. No matter what happens here, I will never leave him alone. Since the Russian troops came here to remove Dudayev's regime, why should I not cooperate with them—after all, this is what I had been doing before.

They came to remove Dudayev, so let them remove him. Marauding and killing of innocent people, however, are premeditated things. It is these incidents that present Chechens with a choice: take up arms or lie down under bombing raids. These bombings and killings make more and more people rise up and fight. And they fight in an exemplary manner, by the way. And unless this stops, the future will be even worse. They say now that the troop operations have been completed, but this is not so. Nothing is over. Not even halfway.

[Chertinov] Who is helping Dudayev now? I remember that in the past you blamed the Melkhi for all the troubles. [Footnote 1] (The Melkhi are an influential clan close to Dudayev).

[Labazanov] The people who are helping Dudayev today are either those who have been involved in dirty things with him or those who are deceived. Nobody fights for him personally. These bombing raids push people to Dudayev's side. I am convinced that certain forces in Russia are doing it in order to collect a lot of compromising material on Yeltsin and Grachev. They will eventually be broadsided by these materials. This is all election time games. As to the Melkhi, they are not my enemies. But among them are oil tycoons, who supported and armed the regime with their petrodollars raked up in Chechnya. They still have connection with big people in Russia through big money. And that is why Dudayev is still getting arms and other support. We have this saying: "Not all Russia is against us." Why did they not sort things out back there, in Russia proper, before going into Chechnya?

[Chertinov] Are there examples of transfer of Russian arms to Dudayev in the course of this war?

[Labazanov] Of course there are. We noticed several times two helicopters flying where Dudayevites are. The war is being dragged on, and Dudayev gets supplies. Big politics is being made in little Chechnya. And another victim of it is the unblemished reputation of the Russian military. If you listen to the Western "voices," they would have you believe that Chechnya has won the war against Russia. This is laughable. Chechnya will never win a war against Russia. The whole of Chechnya may die, but it will not win the war. But this policy smears the military and all normal Chechens. How many Chechens already have been persecuted or killed in Russia only because they were made into scapegoats?

[Chertinov] How are your relations with Khadzhiyev, Avturkhanov, and other leaders of the opposition?

[Labazanov] I cannot have personal relations with any of them. Everything they now do or do not do for the people—all of it will later be written out and presented to God.

For some reason only recently, when we stood like a wall between the government and the people and did not let anyone fight, many were sitting in Russia and watching Chechnya like a movie. Where were they when we called on everybody to come here, with their big brains and sacks of money? We proposed to convene a congress, rise, and remove the regime in a nonviolent way. Now, however, everyone has converged on Chechnya as on a honey pot. Each has his own group. They are dividing positions, portfolios. They say that they are rebuilding the city, bring in construction materials and window glass. What glass? What is this anyway? There is bloodshed and bodies everywhere. It is sinful to talk like this. It is the same as killing someone. Before anything else, a council of elders, of authoritative people, must be convened; people must make peace with each other, and free elections held. And only then talk about glass and construction materials.

The people who died here—and there are a great many of them—will always be on Dudayev's conscience. Those who have earned political dividends on this bloodshed—all of them will afterwards be marked and recognized as enemies of the nation. Enemies of our people, enemies of Russian people, and all those who died here.

Beslan Gantemirov, Mayor of Groznyy: "Moscow Did Not Want Us To Win"

After a year and a half, Beslan Gantemirov is again the mayor of Groznyy. Over the past few years this man has lived a very stormy, rich life. Only three and a half years ago he was a successful businessman who made a fortune manufacturing knitted caps, a loyal confederate of Dzhokhar Dudayev. It was he who kept his president "in check" during the March 1992 coup and played a key role in neutralizing the rebels—Khadzhiyev and Avturkhanov, apparently having no premonition at the time that in the future he himself would move under their banners. His rift with Dudayev occurred in 1993, after the president cut off the revenue flow to the city assembly by depriving it of proceeds from the sale of oil. In June 1993, after brief but intense fighting in the streets of Groznyy, the city assembly was disbanded. In the course of these clashes, the mayor himself was wounded, and his cousin killed. After which the influential Khinkho clan, to which not only Gantemirov but some other notable members of the Chechen elite belong, declared a vendetta on Dzhokhar Dudayev. Since then, Beslan Gantemirov has devoted himself to putting together armed opposition formations and has become a field commander. The year-and-a-half fight has borne its fruit. Gantemirov returned to his old job and became again the mayor of Groznyy—or rather, what was left of it.

[Chertinov] Beslan, could the opposition have defeated Dudayev on its own?

[Gantemirov] Looking back now at the recent events, I would venture the following guess: Moscow helped us precisely to the extent that was needed to keep us from being exterminated, but not enough to enable us to win. The situation was constantly more or less equalized, kept in an equilibrium. Some invisible forces pulled the strings.

[Chertinov] Was the 26 November storming of Groznyy a fateful mistake?

[Gantemirov] No, it was not a mistake. But we were promised that the opposition's armed forces would be supported by two battalions of Russian troops, which would cover our rear flank as we entered the city. The battalions were not there, and our rear flank was not covered. In addition, the aviation that was attached to us essentially stopped obeying us, and we did not get any air support. There were, of course, weak points in the command of this operation. I have to point out that at the time neither I nor Avturkhanov were in command of the operation—it was commanded by Russian military men from Mozdok.

....During the storming, there were no communications not only between the units that entered the city but within those units as well. Essentially, they got fragmented and were left without leadership. And another quite important factor, which needs to be investigated: Operational plans drafted in Mozdok by the Russian military somehow ended up in the hands of our adversary. And they had three or four days to prepare and meet us properly. The Urus- Martan group, for instance, received its set of orders only four hours before the operations, but the package was already unsealed, and I am sure that it had passed through a lot of hands....

[Chertinov] How would you evaluate from the military standpoint the military operations the Russian military currently is conducting against the Dudayevites?

[Gantemirov] From the military standpoint, Grachev has conducted the stupidest and most incompetent operation imaginable. This stupidity is manifesting itself to this day. Did not the minister of defense know that in order to conduct operations successfully, he needed first of all to encircle the city, blockade it? At his direction, the southern direction was left open. By this directive, he enabled the Dudayevites to have an unimpeded resupply of ammunition and human reinforcements. I personally see Grachev's actions as a betrayal of his own military. And if I were in the place of these young soldiers who are dying today and will continue to die in the Chechen Republic, I would bring up the question of disobeying this minister of defense. Right now I cannot publicly accuse Grachev of collusion with Dudayev and some other things, since I do not have material evidence. But I would venture to say that what is happening is at best simply stupidity on the past of Grachev. One would have to be an idiot not to understand that Grachev today is playing up to Dudayev. Why he is doing it I do not know. Perhaps the Russian command is conducting a dry run and training of its troops in the Caucasus treater of operations.

And a second scenario (although it is hard to comprehend) is that a genocide of the Chechen people is under way. We have already come to a point today of agreeing with the Dudayev side in this appraisal. Because what is happening in Chechnya does not fit into either the framework of military plans or a solution of any political issues. There is an ongoing physical extermination of Chechens by the ethnic attribute. And I am not afraid to say this, because I have seen myself what is happening. I did not believe it until I came to Groznyy. I saw the footage of Berlin taken in 1945. Berlin was spared much more than Groznyy. What can one say after the commander of one of the Russian forces says in an interview that he has issued an order: If even one shot is made in the direction of Russian troops, apply the scorched-earth tactics. We all know what scorched-earth tactics means. It means that the troops stop, and aerial and artillery strikes commence which raze everything along the route of their advance.

The stupidity and cowardice of the commanders result in the blood of the peaceful population. Where an infantry unit is needed to clear the way, super-massive strikes are launched. The result is the death of the Chechen population (in which I include, without any trick meaning, Chechnya's inhabitants of any nationality) and the death of soldiers. Practically no harm is done to the Dudayevites. When an artillery barrage begins, they withdraw right away. And after the artillery bombardment is over—that is, by the time an infantry assault begins—they return to the old positions and simply mow down advancing soldiers.

[Chertinov] In your opinion, are the Dudayevites under single command?

[Gantemirov] Currently Dudayev does not control the situation. Uncoordinated small groups with their own commanders operate both in Groznyy and in the republic. And this is the worst case, by the way. Because you can always guess the plans of a unified command. But when the adversary operates as small uncoordinated groups, five or six persons sometimes are capable of fighting against a whole battalion.

[Chertinov] You were the mayor of Groznyy back in Dudayev's time. Do you have knowledge of, let me put it this way, unpublicized contacts between the local regime and Russian officials, including the military?

[Gantemirov] In my opinion, the order of the CIS Armed Forces commander Shaposhnikov—made public by Rutskoy—permitting selling to Dudayev the armaments of the Western Group of Forces at book value is in itself a testimony that the regime had direct contact with the Russian military. I cannot rule out at all that these contacts are currently maintained even as military operations proceed, since one needs 10-20 tonnes of ammunition to conduct one battle, and Chechnya does not produce a single cartridge. Arms cannot be coming from Azerbaijan or Georgia, since they themselves are in need of them and pay outrageous money to buy them. Arms can only be coming to Chechnya from Ossetia, Ingushetia, or directly from Russia. The most interesting question is what forces are helping Dudayev. I do not think it is a secret for the Federal Counterintelligence Service and the armed forces' Main Intelligence Directorate.

[Chertinov] Have you had contacts lately with Dudayev's field commanders?

[Gantemirov] Only physical contacts, if I may put it this way.

[Chertinov] That is, you are saying that there are still ongoing clashes between the Dudayevites and the opposition?

[Gantemirov] Yes; for instance, recently in Urus-Martan. There have been other battles in the south of Chechnya, and I think it will continue. At least until the main conflict is over.

[Chertinov] Do you have people leaving the Provisional Council's armed formations because the situation in the republic has changed dramatically?

[Gantemirov] Your question is partly a provocation. The Provisional Council currently does not have armed formations. But we are capable bringing all our forces together in a matter of two or three days, if necessary, and putting 50-60 percent of our people into action right away.

[Chertinov] What was that munitions depot discovered in Nadterechnyy Rayon on the night from 4 to 5 February?

[Gantemirov] This is the usual FCS stuff. Nobody ever made a secret of the existence of this depot. There are quite a few such depots today in Urus-Martynovskiy Rayon. The question should be asked differently: How will be these weapons removed, and will they be removed at all?

[Chertinov] I suppose, oil production and refining in Chechnya is currently out of question, is it not?

[Gantemirov] This depends on which approach prevails in the Chechen Government. I, on my part, will insist on suspending production and capping the wells. I believe that Chechnya can live and restore its ruined economy by refining others' oil. I think we will be able to restore the refineries in a matter of two-three months and reach the capacity of refining at least 10 million tonnes of oil a year.

[Chertinov] Do you know anything about last year's negotiations between Dudayev and the Russian oil company LUKoil?

[Gantemirov] Yes, there were such negotiations. And I am familiar with all negotiations that were conducted not only with LUKoil, but also with Azerbaijan. Although essentially there was no business partnership involved, only theft of Chechen and Azerbaijani oil on a mutually profitable basis. In our estimates, over the three and a half years of Dudayev's rule, 10-12 million tonnes of petroleum products were exported from Chechnya. It is no secret for anyone that such export is possible only through the territory of Russia. This quantity of oil—10-12 million tonnes—is not a bag that can be taken across the border, after all. Any investigative group that will begin looking into this matter will immediately zero in on very high-ranking and very influential people in Moscow, without whose help such exports could not have been carried through. How could the Russian leadership (and this time I am talking about political leadership) permit the export of such huge quantities of petroleum products? On which, by way, on top of everything, not even custom duty was paid.

It is also common knowledge that the Russian military-industrial complex used Chechnya, our airports, as a trans-shipment point, to sell arms banned for export, to sell arms to Iraq. And at the same time, Moscow could say at any moment that it did not have any control over Dudayev's bandit regime. And therefore protect itself from international sanctions. I am sure that information on all these things will eventually be made public.

Chechen Government Chairman on Groznyy Situation

MS2803093095 London THE INDEPENDENT in English 28 Mar 95 p 10

[Report on interview with Salambek Khadzhiyev, front-man in the Russia' 'puppet' government in Chechnya; place and date not given]

[FBIS Transcribed Text] When Salambek Khadzhiyev, front-man for Russia's puppet government in Chechnya, has important business to discuss, he leaves his office, wanders past coils of razor wire and swaggering soldiers in black bandannas, gets into an armoured personnel carrier and zooms off through the rubble.

Only when the Russian military has deposited him at a communications centre set up amid the heavily guarded ruins of Groznyy airport can the man who is supposed to be running Chechnya reach those who really make decisions. He picks up a vertushka telephone, the secure government line that forms the umbilical cord of power across Russia, and calls Moscow or Russia's military headquarters at Mozdok.

In a land where the official car—whether a long black ZIL limousine or the more modest Volga saloon—has always been an accurate gauge of every official's prerogatives, Mr Khadzhiyev's dependence on an armoured troop carrier leaves little doubt about the source and scope of his own authority.

Mr Khadzhiyev, a 54-year-old petroleum engineer, is chairman of a so-called government of national revival, a body which was set up by the Kremlin to replace the secessionist regime of Dzhokhar Dudayev and add a civilian facade to what, for the time being at least, remains brutal military rule.

He has few illusions about the nature and limits of his power: "It is legitimate to the degree that any government of this type is legitimate," he said in an interview, the curtains of his office tightly drawn against the sun and snipers: "It is more legitimate than Dudayev's but in the classical understanding of the word it is not legitimate either."

With Mr Dudayev's former seat of government, the presidential palace in Freedom Square, reduced to a mangled heap, Mr Khadzhiyev has set up shop in his own old office at the Petroleum Research Institute, one of a handful of buildings in Groznyy unscathed by the fighting. It is also one of the few premises that has electricity, thanks to noisy generator in the courtyard.

"Promising us a good life and freedom, Mr Dudayev gas us a destroyed city, years of unpaid salaries, old people without pensions and death for our children," he said.

Unlike most of the Chechen opponents of Mr Dudayev backed by Moscow in the past, however, the soft-spoken Mr Khadzhiyev does not come across as a gangster. He does not wave a gun, and shuns both long black leather coats and camouflage fatigues. He has a kind, handsome face and, wearing a grey turtle-neck sweater and reading glasses, seems more a thoughtful professor.

It is hard not to feel a bit sorry for him. He is pilloried as a traitor by Mr Dudayev, viewed as a collaborator by many ordinary Chechens and surrounded by ruthless potential rivals from the anti- Dudayev opposition.

He denies any fear of assassination—the customary means of resolving differences in what, even before the Russian army moved in, was already a cauldron of clan feuds and political violence: "Anyone who was here in January is afraid of nothing. He has already seen too much. By now we are all accustomed to horror."

All the same, he judged it wise to leave his wife and three children in Moscow, where he served as the last Soviet Minister of Oil Processing in 1991. "What does my wife think of all this? She thinks I should give it all up and get home quickly. Well, not home—my home is here—but to Moscow."

Just as Mr Dudayev moves about constantly so as to keep one step ahead of any would-be assassin sent by Russia, Mr Khadzhiyev avoids sleeping in the same place to avoid any killer sent by Mr Dudayev: "I live in different places, sometimes in the city, sometimes in this building, sometimes in villages."

He first popped up as Chechnya's future ruler in December when President Boris Yeltsin, in the first in a series of premature declarations of victory, announced that the military stage of the Chechen campaign was over. His elevation is thought to have been engineered by the Prime Minister, Viktor Chernomyrdin, a fellow energy-industry apparatchik, and has partially eclipsed Moscow's previous Chechen favourite, the deeply unsavoury Umar Avturkhanov, who heads a self-styled Provisional Council.

On paper, Mr Khadzhiyev has all the trappings of a government: a cabinet, a budget (though no income other than hand-outs from Moscow), the embryo of a local police force and even a flag—similar to the rebel standard used by Mr Dudayev, only purged of the sitting wolf, an emblem unacceptable to Moscow because of its associations with Chechen independence.

But the Russian forces, whose automatic weapons put Mr Khadzhiyev in office, make no attempt to disguise the fact that they alone have real power. They have divided Groznyy into seven military kommandaturas, set up countless checkpoints manned by cocky youths in sunglasses slumped in looted armchairs—declared a curfew and terrorised the city by shooting at anything that moves after dark. "You know how the military works," said Mr Khadzhiyev. "It has its own rules and logic."

Because of this, he recommends surrender as the only way to halt Russia's military juggernaut: "If a village keeps fighting, if they shoot from there with automatic weapons, artillery and mortars, then my government is powerless to help them."

But he insists ultimate blame must lie with Mr Dudayev, a former Soviet bomber-pilot: "He knew exactly what would happen. He is a military man. I'm just a civilian."

Only by holding new elections, he says, can Chechnya move towards a more stable regime: "The earlier they are held the better. Theoretically, they might be possible in five or six months." But with fighting still raging across much of Chechnya and Groznyy itself an armed camp plagued at night by bursts of gunfire, he admits it could take much longer.

Mr Khadzhiyev spends much of his time begging Moscow for money. He has secured the cash needed to pay teachers and doctors but not enough to continue beyond 1 April a programme of free bread for the city's dazed and hungry population. Appeals to Russian businessmen have yielded nothing: "Many spoke on television about helping us but so far we have not got a single kopeck."

Russia has promised nearly a billion dollars to rebuild what now looks like Stalingrad. But there is little evidence of it. The only example so far of any "reconstruction" is yet more destruction.

Completing a process started by Russian shells, Russian bulldozers have just demolished the last remnants of the Hotel Chaika. This modest task alone took 20 days.

Air Strikes on Shali, Gudermes Offensive Expected

LD2803104595 Moscow ITAR-TASS in English 1034 GMT 28 Mar 95

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Transcribed Text] Groznyy March 28 TASS—Russian troops used "Hurricane" and "Grad" multiple rocket launchers to bomb early on Tuesday several settlements in the Shali region of Chechnya where militants are staying. Later in the day combat helicopters flew over the northern Groznyy towards the city of Gudermes, another remaining stronghold of Chechen resistance.

It is expected that Russian troops will launch an offensive on Gudermes in the near future. A well-informed Russian source told TASS that First Deputy Prime Minister Oleg Soskovets had ordered during his recent trip to Groznyy to complete the military operation in Chechnya by April 1.

It is impossible to get to the combat area near the cities of Argun, Shali and Gudermes. Eye witnesses who managed to escape from there to Groznyy told TASS that the Russian Air Force had bombed on Monday refugee camps near the settlement of Antury where thousands of homeless refugees had found shelter in former youth rest camps.

Witnesses said dozens of people were killed and wounded in the air raids. There was no independent confirmation to the reports.

Aircraft, Helicopters, Tanks Attack Chechen Stronghold

AU2803165695 Paris AFP in English 1618 GMT 28 Mar 95

[Report by Sebastian Smith]

[FBIS Transcribed Text] Serzhen Yurt, Russia, March 28 (AFP)—Russian forces attacked the Chechen separatist stronghold of Shali and surrounding villages with warplanes, helicopters and tanks on Tuesday [28 March].

Planes rocketed and strafed the area in back-to-back raids that followed an assault on the area by helicopter gunships and tanks and nightlong artillery exchanges.

The bombing and shelling signalled a major effort to crush resistance in Shali, which Chechen commander in chief Aslan Maskhadov has vowed to defend. It became the de facto Chechen capital after Russian forces seized GroznEy last month.

Residents reported seeing a major tank unit push south to the outskirts of Avtury, six kilometres (four miles) east of Shali, which has become the focus of resistance to Russian rule.

Shali, cut off by Russian tanks to the west and north, is deserted except for independence fighters and elderly people with nowhere to escape. The advance at Avtury would mean the devastated town was surrounded on all sides except the south.

The warplanes pounded Shali and the nearby villages of Germenchuk, Avtury and Serzhen Yurt, which lies on the heavily travelled main road leading into the Caucasus mountains.

Planes in groups ranging from two to six fired dozens of rockets and bombs in three separate raids lasting at least 30 minutes each.

Flying high out of a bright sun, the planes repeatedly swooped, fired barrages of rockets and bombs, then peeled back up and circled for another run.

There was ineffectual small arms return fire and occasional burst from heavy machineguns from the hills surrounding Serzhen Yurt.

Earlier Tuesday, there was a major engagement between the two sides' heavy guns around Shali.

Russian tank shells exploded every few minutes among buildings on the edge of Shali and along the road linking Shali to Avturi, sending up clouds of dirt and rubble.

Chechen forces fired on Russian positions with rockets and artillery from the Serzhen Yurt hills.

Three Russian helicopters circled north of Shali, rocketing and machinegunning the outskirts of the town and Germenchuk and Avtury. The yellow flashes of Chechen return fire at the helicopters could be seen coming out of Shali. Lengthy exchanges of machinegun fire between ground positions could also be heard just north of Shali. But it was the constant roar of jets, the horrific groaning noise of the planes' heavy machineguns and the powerful explosions that spread panic around Shali.

A residential neighbourhood on the outskirts of Serzhen Yurt was twice rocketed and strafed with heavy machinegun fire.

"We saw the plane diving right at us and knew it would fire rocket. We ran to our neighbours and got behind their wall," said Ramzan Sadiyev, 31.

He was lucky. Two rockets exploded in his courtyard and the walls of the house were pockmarked with hundreds of shrapnel holes.

A meeting at the mosque, where the village elders were deciding whether or not to resist the advancing Russians, had to be abandoned when six jets ripped across the clear sky.

On every central street of Serzhen Yurt, women, children and belongings were being bundled into lorries to escape to the mountains. A bewildered old woman leaned on her cane and asked "What's all this terrible noise?"

"They're worse than the fascists. They'll kill us all, they're trying to wipe us out," said Yussup Akmadov, crouching in an earth dug-out at the end of his garden during one of the air raids.

Once Shali becomes untenable, as even Chechen commanders admit it will, the separatists will retreat to the mountains to fight a purely guerrilla war.

Rustam Idrisov, a 20-year-old member of the separtists' elite Abkhazia Battalion, described the futility of holding out against the massive Russian firepower around Shali.

"Last night I lay in a hole in the ground like a rat. What else could I do? I want to live. This automatic (rifle) is almost useless. There are no people to fight out there, only machines," he said.

Tens of thousands of Russian troops poured into Chechnya on December 11 to crush President Dzhokhar Dudayev's unilateral declaration of independence from the Russian Federation.

The Russian defense minister expected a quick victory, but despite an overwhelming advantage in terms of weapons, his men have met fierce resistance at every village and town.

Federal Troops Advance Against Dudayev Forces

LD2903074195 Moscow Radio Rossii Network in Russian 0700 GMT 29 Mar 95

[FBIS Translated Text] Moving toward the northeast and southeast, the Russian troops in Chechnya wiped out the strongpoints belonging to Dzhokhar Dudayev's men, and by Tuesday evening [28 March] completed their encirclement of the towns of Shali and Gudermes, INTERFAX has been told at the press center of the joint group of Federal Troops command. Dudayev's formations sustained large personnel and equipment losses. The losses of the federal forces amounted to six killed and 11 wounded.

Having given an ultimatum to the commanders of the formations in Gudermes, the internal troops of the Russian Ministry of Internal Affairs commenced their disarmament at 0900 today.

[Moscow 2x2 Television in Russian at 0700 on 29 March adds the following: "In the past 24 hours, federal forces in the zone of the Chechen conflict have advanced to a distance of up to one kilometer toward the east and southeast. This was reported to INTERFAX at the General headquarters of the Chechen armed forces. Russian forces mounted artillery strikes on the population centers of Shali and Staryye Atagi and also on positions between the settlements of Germenchuk and Avtury. Russian subunits continue to complete the encirclement of Gudermes. On the northern and southern sides, the town is practically blockaded, but on the western side the fighters are putting up fierce resistance. The Russian military plan to complete the encirclement of Gudermes in the next few days."]

Shali 'Surrounded' After Russian Tank Advances

AU2903114895 Paris AFP in English 1040 GMT 29 Mar 95

[By Sebastian Smith]

[FBIS Transcribed Text] Serzhen Yurt, Russia, March 29 (AFP)—Shali, one of the two last towns held by Chechen separatists, was virtually surrounded Wednesday [29 March] after advances by Russian tanks and intensive artillery barrages.

Tanks could be seen pushing south across fields just southeast of Shali, cutting off the town's main escape route to the Caucasus mountains, through the village of Serzhen Yurt.

Tanks penetrated the outskirts of western Shali overnight and had set up a firebase for further advances, said Akhmed Dadayev, a Chechen fighter who had just left the front.

Russian armour could also be seen stationed outside the village of Avtury, about five kilometres east of Shali, after advancing Tuesday.

The advances left Shali cut off, except for a road running due south, which is heavily shelled and bombed almost daily.

Russian forces launched their assault against Shali on Tuesday, with day-long air raids, artillery barrages and tank advances, backed by helicopter gunships.

Tuesday night, long-range Russian artillery shells whistled over the centre of Serzhen Yurt, exploding at both ends of the village.

At dawn, Russian tanks opened up an intense barrage preparing to cut Serzhen Yurt off from Shali, about seven kilometres away.

A stream of shells was fired at a Chechen defensive trench outside Serzhen Yurt. Dozens of rounds could be seen exploding every few minutes, sending up fireballs and showers of earth and smoke.

Chechen guns fired back, but at a much slower rate, reflecting the huge difference in the two forces' arsenals.

Russian warplanes, circling constantly over the area, fired rockets at the outskirts of Serzhen Yurt and ripped a lorry up with machinegun fire on the road into the mountains.

The road is not only used by the separatist guerrillas, but by thousands of refugees fleeing the almost-four month old war.

The last remaining residents of Serzhen Yurt fled in panic as their village became the front line.

Women, children, farm animals and furniture were crammed into the back of trailers. One family, including half a dozen children, simply walked out towards the hills, carrying all the belongings they could.

Almost the only people left in the village were men, who said they would stay to guard their houses. Although civilians, many were armed with automatic rifles.

A funeral for a 26-year-old man killed in crossfire Tuesday was interrupted constantly by the dull roar of planes. The handful of mourners kept looking up from their prayers and craning their necks at the sky.

"We tried to wait until there were no planes, but they kept flying, so we went ahead," said Yeragi Sulymanov, the dead man's father.

"We were in a car together going from Shali to Avturi. A sniper shot my son dead, the car crashed. Then they started shelling, then a plane rocketed. I was lying there for six hours. I suppose I was just not fated to die," added Sulymanov, 53.

"We had to go back in the dark during the shelling and get his body," he said.

After almost four months of war, Shali and Gudermes were the only major towns still held by President Dzhokhar Dudayev's independence fighters.

Shali became the focus of Chechen resistance after Argun fell to Russian forces last week. Gudermes is isolated and ringed by Russian guns.

Chechen commander-in-chief Aslan Maskhadov told AFP he would fight a lengthy war in the mountains if Shali fell.

Thousands of people have been killed and tens of thousands wounded in the war. A majority of the victims have been civilians.

On Monday, Russian warplanes bombed at least four refugee centres near Serzhen Yurt, killing and wounding more than 30 civilians.

Russian President Boris Yeltsin sent the army and the air force into Chechnya on December 11 to crush Dudayev's three-year-old declaration of independence from the Russian Federation.

The Russian defense minister predicted an almost instant victory, but his troops became bogged down against the Chechen fighters, who are poorly armed and believed to number under 15,000.

Kulikov Reports Two Chechen Towns Surrounded

LD2903143795 Moscow ITAR-TASS World Service in Russian 1428 GMT 29 Mar 95

[By ITAR-TASS correspondents Mikhail Shevtsov and Aleksandr Kharchenko]

[FBIS Translated Text] Mozdok, 29 Mar—The towns of Gudermes and Shali in Chechnya have today been completely surrounded by federal troops. In the next few days, these towns will be seized without much destruction, ITAR-TASS was told today by General Colonel Anatoliy Kulikov, commander of the federal forces in Chechnya.

Grachev Not To Visit Chechnya; Army Enters Gudermes

LD2903161695 Moscow NTV in Russian 1500 GMT 29 Mar 95

[FBIS Translated Text] A final report on Chechnya. Representatives of the military have just telephoned us to make clear that, contrary to recent reports, Defense Minister Grachev does not intend to go to Chechnya at present, but a decisive operation is still planned in Chechnya.

We have just received a report that the first units have entered the town of Gudermes. We will have details in our next bulletin.

National Accord Charter Signed at Conference

MK2903095095 Moscow SEGODNYA in Russian 29 Mar 95 p 2

[Report by Natalya Gorodetskaya from Pyatigorsk in the "Hopes" column: "The Conference on Internal Political

Conciliation Has Ended Up in a Break. Only a National Accord Charter Has Been Signed"]

[FBIS Translated Text] A conference on national accord and conciliation in Chechnya and the whole of the North Caucasus was held in Pyatigorsk 26 March. Its idea, proposed by the Assembly of National-Democratic and Patriotic Forces of Russia (ANDPFR), was supported by President Boris Yeltsin. The conference was expected to create a negotiating group from among "respected Chechens" to help reconcile the warring sides in Chechnya itself, to resolve the question about the Chechen government, and to discuss election procedures. Moreover, the conference delegates were supposed to sign a National Accord Charter. However, Ramazan Abdulatipov, deputy chairman of the Federation Council, apparently deemed the agenda insufficient because, according to Roman Gavrilov, chairman of the Union of North Caucasus Entrepreneurs sponsoring the conference, Abdulatipov spoke with him on the phone six times "demanding to include in it the discussion of the documents adopted at the Moscow conference 14 March."

Representatives of the teyps [clans], elders, and religious authorities were invited, regardless of whose side in the confrontation they are on. As a result, representatives of virtually all the Chechen teyps (except two), as well as of Dzhokhar Dudayev, local administrations, and so forth arrived at the conference, by their own admission, "getting out of the cellars they were hiding from bombs in," or "jumping down from gun mounts"—all in all, more than 200 people. Those failing to arrive included Nikolay Semenov, head of the executive branch in Chechnya; Umar Avturkhanov, chairman of the National Conciliation Committee (NCC) (his deputy Leche Musayev stood in for him); and representatives of the Russian president and government, who had promised to come.

Ruslan Khasbulatov, former speaker of the Russian Federation Supreme Soviet, who spoke rather sharply against the Moscow-created republic government and NCC, proposed to form a truly Chechen National Salvation Council, hinting that its functions "could be performed by the Peacekeeping Group" (which, as is known, is the brainchild of the former speaker himself), which in fact "has been a classic example of a National Salvation Committee." Furthermore, Khasbulatov proposed to the federal authorities to "appoint one person" vested with the entire power on matters of war, peace negotiations, preparations for elections, and so forth. There was no possibility to ask Khasbulatov whether he meant his own appointment to this post, because he evaded a meeting with journalists.

Even so, although conference delegates spoke highly negatively about the "Khadzhiyev government" (because "he is selling off posts in his cabinet"), and about the Avturkhanov National Conciliation Committee," which represents nobody "except one Chechen clan," they opposed the creation of any new councils or committees. In their opinion, it is necessary "to add respected people" to those already in place and to work actively within the "Moscow" government and the NCC. The promise by ANDPFR chief Shmidt Dzoblayev to "try to co-opt all representatives chosen by the Chechens into the NCC" was received with great enthusiasm.

The most important thing for the Chechens now is to stop the war. Delegates from Argun, Shali, Gudermes, Shelkovskaya, Urus-Martan, and Vedenskiy Rayon, who took the floor, said that the gunmen "are ready to put down their arms" but that they "do no believe that they will not be pursued by the federal authorities." Therefore they believe that the main thing that is now required of the federal authorities is immediately to promulgate an amnesty edict. It was decided to appeal to the government on this count. The proposal by State Duma deputy Stanislav Govorukhin to address such a request to the Duma, and his promise to expedite the approval of an edict granting an amnesty for gunmen voluntarily laying down their arms, were received with applause. Speakers at the conference also highlighted the need "even now" to create a negotiating group so that its members could as early as "tomorrow go across Chechnya and start talking with the gunmen and with Dudayev himself about surrendering their weapons."

The aggressive course of the conference, however, was interrupted by Roman Gavrilov, member of the organizing committee, who was chairing it by virtue of "being the one who has paid." Muttering something abut the need to "consult Doka Zavgayev" (former chairman of the Checheno-Ingush Supreme Soviet, who was present at the conference and who even made a brilliant proposal to divide the revenues from the oil extracted in the republic among all the Chechens—1.5 million rubles per family—thus helping them "to stand on their own feet," which for some reason was not supported by the delegates), he stated that the conference had to be adjourned. According to the businessman, "the documents adopted at the conference should not be like Abdulatipov's" (the reference is to the final documents of the Moscow conference on peace and conciliation in Chechnya) and therefore Gavrilov proposed for representatives of all teyps of Chechnya, religious figures, and elders to meet in a week's time in Pyatigorsk, also inviting 10 plenipotentiary representatives from the Russian leadership and from each administration of all the other Caucasus regions and only then start adopting documents. This idea caused dismay among the delegates and a small scuffle on the dais. Nonetheless, in spite of the comment by an elder from Vedenskiy Rayon that "in a week from now they may not be even alive," the conference voted for Gavrilov's proposal.

The event, designed to reach internal Chechen accord, thus ended in a decision to meet again in a couple of weeks in the presence of high guests, only not in Pyatigorsk but in Chechnya—best of all, as Militia General Vakha Ibragimov said, "on the ruins of Groznyy."

Sponsors have apparently been found already: Chechen entrepreneurs. Furthermore, the delegates signed the National Accord Charter because the question of whether to support the principles outlined in it is everybody's personal affair, and it does not call for a general vote.

Economic Issues

Russia Grants Credit to Belarus For Debt Repayment

LD2203172895 Moscow ITAR-TASS in English 1618 GMT 22 Mar 95

[By ITAR-TASS correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow March 22 TASS—Russia agreed to grand a 150 billion rouble credit to Belarus for a period of up to October 1, 2000.

The credit will be provided under an agreement on state credits ratified by Russia's Federation Council on Wednesday.

Vadim Gustov, chairman of the Council Committee for the CIS, told ITAR-TASS that the provision of the credit "meets the economic and political interests of Russia."

Gustov explained that practically the whole amount will be used to pay the debts of Belarusian economic entities to Russia for previous supplies.

The committee also believes that the implementation of the agreement will help normalise payments between the two republics and facilitate their integration.

The Federation Council also ratified an agreement between Russia and Azerbaijan to exchange prisoners.

Central Bank Denies Currency Reform Rumors

MM2803120395 Moscow TRUD in Russian 28 Mar 95 p 1

[Unattributed report: "Central Bank States: 'There Will Be No Money Reform'"]

[FBIS Translated Text] In connection with the items which have appeared in some newspapers about the monetary reform which is allegedly imminent, the Central Bank of Russia has issued an official announcement which says: "On 10 March in an interview with the newspaper TRUD, A. Voylukov, first deputy chairman of the Central Bank of the Russian Federation, categorically denied rumors of an imminent monetary reform. He noted that the very fact that bank notes with a face value of 100,000 rubles have been put into circulation is evidence that no 'cutting' of zeros and no 'currency revaluation' is foreseen. The leadership of the Bank of Russia stresses once again that under inflation conditions the implementation of monetary reform is not expedient and could lead only to adverse consequences."

Draft Decree on Economic Reform, Development

MM2803083595 Moscow ROSSIYSKAYA GAZETA in Russian 28 Mar 95 First Edition p 1

[Untitled draft decree adopted at 24 March enlarged Russian Government session: "What Needs To Be Done"—first paragraph is introduction]

[FBIS Translated Text] An enlarged session of the Russian Government was held in the Kremlin 24 March, which discussed measures to implement the Russian Federation president's message to the Federal Assembly and the Russian Federation Government Program "Reforms and the Development of the Russian Economy in 1995-1996." Today we are publishing the draft decree adopted at the government session.

Federal organs of executive power and organs of executive power of Russian Federation components, in accordance with the Russian Federation Government Program "Reforms and the Development of the Russian Economy in 1995-1997," must:

ensure overall macroeconomic stabilization by the end of 1995;

secure the steady stabilization of production volumes, the resumption of economic growth, and the strengthening of payment and financial discipline;

secure the strengthening of law and order and a breakthrough in the struggle against crime;

improve the conditions for the development of enterprise and business activity, continue privatization with a view to boosting investment activity, the effectiveness of production, and increasing budget revenue;

galvanize the restructuring of the economy by stimulating investment in highly effective and competitive production units, ensure the preservation of the most valuable elements of our accumulated scientific and technical potential;

on the basis of stabilization of production and the struggle against inflation, ensure an increase in the people's standard of living by pursuing an active social policy mindful of the interests of various groups and strata of the population.

In order to strictly monitor the targeted use of budget resources the Russian Federation Ministry of Finance, in conjunction with the Russian Federation Ministry of the Economy and the Central Bank of the Russian Federation, shall provide the Russian Federation Government with quarterly reports on the course of federal budget implementation. They must focus their efforts on the implementation of the most important task—financial stabilization and the strengthening of the ruble's rate of exchange— and also on the implementation of the measures envisaged by the Statement of the Russian Federation Government and the Central Bank of the Russian Federation on Economic Policy in 1995. They must submit by 1 July 1995 a report on the operation of the mechanism for budget federalism and proposals regarding its subsequent development.

They must submit by 1 July 1995 the draft federal budget for 1996, formulated on the basis of the medium-term strategy for budget and financial policy, which includes the comprehensive improvement of tax legislation, the rationalization of federal budget spending, and the formation of a favorable investment climate.

They must consider the top-priority task to be the preparation of proposals regarding the improvement of tax legislation and the formulation of the draft Russian Federation Tax Code.

They must monitor payment discipline in sectors of the economy, regions, at enterprises, and in organizations. They must regularly report to the Russian Federation Government on the measures taken to overcome the solvency crisis.

They must submit by 1 June 1995 a list of federal targeted programs, intended to implement the technological modernization of the Russian economy, strengthen the national industrial infrastructure, and develop science-intensive exports, and scheduled for implementation in 1996 using federal budget funds as well as extrabudgetary sources.

They must submit by 1 June 1995 a medium-term program to stimulate Russian and foreign investment in the Russian Federation economy.

They must submit by 1 June 1995 a report on the state of and prospects for the development of the securities market in the Russian Federation.

They must submit within two months a draft program of state support for small business in the Russian Federation in 1996-1997.

They must submit by 1 December 1995 a draft program for the demonopolization of the economy and the development of competition on the Russian Federation's commodity markets in 1996-1997.

They must submit by 1 July 1995 proposals regarding the formation and use of a state conversion fund.

They must submit by 1 June 1995 to the Russian Federation Government the draft State Program for the Conversion of the Defense Industry in 1995-1997.

They must submit by 15 December 1995 proposals for improving in 1996-1997 the mechanisms for the provision of loans to rural commodity producers, enterprises, and agro-industrial complex organizations given the seasonal nature of their outlay.

They must ensure the rigorously targeted and effective use of centralized resources allocated to the agro-industrial complex for the implementation of spring field work in 1995.

In 1995 they must take the requisite steps to further develop land reform,, create a land and real estate market, step up state supervision of the use and conservation of land, and the formation of an urban environment.

They must submit by 1 June 1995 a report on the work carried out on the demarcation of authority between federal organs of executive power and organs of executive power of Russian Federation components and on their mutual delegation of powers.

Federal organs of executive power carrying out work to restore the economy and the social sphere in the Chechen Republic must complete in 1995-1997 the bulk of the series of work in their spheres of activity.

A coordinated plan of measures to stimulate and provide state support for industrial exports must be submitted to the Russian Federation Government by 1 July 1995.

Proposals and the relevant draft normative legal acts for the protection of the internal market must be submitted in 1995.

With a view to developing the Economic Union of CIS States in 1995-1997, the implementation of the mechanisms of the Customs and Payment Unions as well as other socioeconomic agreements must be ensured.

Proposals regarding state minimum standards for the main indicators of the population's standard of living and their use during the formation of the budget must be submitted by 1 June 1995.

Proposals on the concept of the reform of pension provision must be submitted within one month.

Matters pertaining to the implementation of the federal migration program in 1995 based on the prevailing situation in the sphere of migration must be clarified within one month.

Proposals regarding the development of the system of municipal statistics in the Russian Federation must be submitted by 1 September 1995.

Proposals regarding the procedure for the funding of the state order for retraining and further training of state employees in federal organs of executive power as of 1996 must be submitted by 1 May 1995.

Minister Yasin on New Economic Program

MM2803161795 Moscow ROSSIYSKIYE VESTI in Russian 28 Mar 95 pp 1,2

[Article by Yevgeniy Yasin, Russian Federation Economics Minister: "Government's New Program"]

[FBIS Translated Text] The main ideas of the economic program recently approved by the government have been well known for a long time. We have now entered that stage of development in which it has become possible to clarify the program's concept, which could be the point of departure for the government's actions.

Given the present state of the economy, there is a certain limit to which liberalization can go and we are close to it now. It cannot be said that privatization is bearing positive fruit yet. It has not yet led to the creation of efficient property owners or the improved organization of production management, costs are still not coming down, and labor efficiency is falling. Nevertheless, a great step forward has been made, the distribution stage of privatization has been completed, and a considerable proportion of industry and other sectors of the economy have ceased to be state-owned and have been split off from from the state, as it were.

But we were clearly late in beginning stage three of the reform - - financial stabilization. If we had managed to pursue a tougher financial policy in 1994, restrict the growth of money supply, and bring inflation down to 2 percent by December, we would have had financial stabilization by now. But that task has not yet been resolved.

In general terms that is how the state of the economy and the progress of reforms look at present. If a large part of stage one is complete then surely it is possible to move onto stage two, is it not? The main task of this stage is to resume economic growth and to start boosting production.

What is the logic of the stabilization stage, as it usually known? If growth is to be achieved investments are needed. There are many idle capacities in the country which could be used to boost the volume of production. However, there is a good deal of wishful thinking in this plan. Of course there are certain reserves. But they are of a short-term character and are highly limited. After all, the old production capacities were able to produce output which was competitive only in the internal market in conditions of a closed economy and which involved high costs. Even if their use were raised to the level of the period of stagnation and perestroyka, not only would the goods thus produced not be able to compete in the foreign market, in many cases they would not even be able to compete in the domestic market where real demand limitations and foreign goods have now appeared.

Hence it is necessary to increase production efficiency, improve the organization of production management, cut costs, and so forth. But all this requires investments. Hence the crucial task of stage two is investments. What kind of capital investments do we need? It is very important to stress that they must be highly efficient. What is the essential point here? During the transition from the plan to the market the investment regime changes. Under what I would call the old Soviet system, production growth was achieved by the preferential growth of state capital investments, that is, it was achieved more by quantity than by quality and effectiveness. Essentially both perestroyka and the crisis were inevitable because the old investment regime did not ensure a normal process of reproduction. It is no secret that in our country construction cost estimates were constantly exaggerated by a factor of two or three, unfinished construction projects increased, and deadlines were not met.

All this is characteristic of the times when economic growth was supported mainly by state investments. We still have not left the past behind and we are facing the problem not of the quantity of investments but of using them skillfully and effectively and of achieving a three- to four-fold return on capital investments. In these conditions you cannot rely on state investments, private capital investments are needed. Furthermore, this means the kind of investments owned by an investor who monitors a project and guarantees a yield and the return of his own investments. The state's contribution to this process is to create the necessary investment climate, thereby facilitating the process which has begun.

The next link in the logical chain is this: What must be done to ensure the flow of investments? At least three preconditions must be established. First, there must be financial stabilization. We have to complete the work left over from stage one. True, some economists believe that investments will materialize even in conditions of inflation so long as it is predictable and certain rules of the game are observed. As examples they cite Brazil and other countries where capital investments did not dry up despite a high inflation rate.

However, there is a wealth of evidence to suggest that Brazil's experience is a bad example and cannot be imitated in Russia. First of all, private property already predominated there and its owners had already adapted to inflationary conditions whereas in our country everyone still turns to the state for money and enterprises are not ready for large-scale effective capital investments. However, private capital is geared to financial speculation or trade and the last thing that it wants to get involved in is production.

The reduction of inflation entails the reduction of the credit interest rate and correspondingly of that measure of efficiency which investment projects are supposed to meet. At interest rates of 200-300 percent a year only projects yielding a return of 400-500 percent attract investments. Otherwise you are better off investing your money in a bank or making it "work" in some other way.

If inflation is reduced an enterprise will be able to provide its own circulating capital by means of relatively cheap credit. It will begin to invest its own profits and depreciation funds and the sphere of efficient projects will expand.

The second condition is the reduction of investment risks. Money is invested for a period of several years during which time the situation changes, property rights are uncertain, and so forth. Hence the kind of institutional changes are needed which would lead to the creation of a stable environment for capital investments. There is a broad range of measures in this connection including the fight against crime and corruption, the protection of owner's rights, the continuation of privatization, the creation of a securities market infrastructure, and the regulation of the procedure for the rescue or bankruptcy of enterprises.

The third precondition is the direct encouragement of investments. Why is it necessary? We now have accumulations here which, although not great, justify the claim that some reserves for growth in the economy have been created. You will recall how in 1992 the population was reduced to poverty and enterprises lost everything during the first explosion of inflation. Where were accumulations to be found then? But as soon as the bank rate became positive it became profitable to put money in the bank or invest it in securities: Then there was not only a desire to protect funds against inflation by buying dollars but holdings in rubles also began to increase. Russian enterprises, banks, and organizations now have $25-30 billion in their accounts and the population has savings amounting to around 25 percent of their incomes. These are good indicators.

Now the process of transforming accumulations into investments must begin: People can invest them directly or via funds, banks, and finance companies, that is, via institutional investors which have already appeared and should develop rapidly. The institutional investment sector is continuing to grow.

However, there are obstacles to the flow of investments, including the high element of risk and the psychological factor: The other day I was looking for a place to invest my money at a high interest rate, now that rate is falling but I am afraid to invest my money elsewhere. This situation could last a long time. Why? In crude terms the transition process is as follows: First the stage of crisis development begins when production falls and there is high inflation which then gradually falls. Then depression sets in: You feel that you have sunk as far as you can go. The depression can last a long time or a comparatively short time. Thus the stabilization stage that we are talking about is also a form of depression. This is when certain incentives are needed to help us rise to the surface. The transformation of accumulations into investments plays a very important role here.

But economic growth leads to an increase in the incomes of the population, enterprises, and the budget. Financial stabilization begins to work because the budget deficit is falling, social spending is rising, and ultimately the living standard is rising and all the other positive results which we have been waiting for impatiently are achieved.

The program's main idea is to put forward and implement measures which in t5he short term—during this year and part of next year, over three years as a whole—would make it possible to create all these three preconditions which form the three main sections of the document: financial stabilization, institutional changes, primarily to reduce risk and boost investment activity, and direct state incentives for private investments.

The program is based on these three areas. Readers are already very familiar with financial stabilization: They know about the 1995 budget, the IMF agreement on credit to cover a considerable proportion of the budget deficit, and internal borrowing designed to avoid the need to cover the budget deficit by inflation. In other words, we decided to switch off the printing press and not resort to this source of funds. If we achieve this task we will halt inflation by the end of the year.

Measures are envisaged for the formation of the two other preconditions.

In addition to that, there are actions in other spheres. For example, there is active social policy. Let us say that for the economy as a whole the stage of crisis development is ending. For the population, however, one set of burdens is being replaced by another. Previously the population suffered from inflation which led to the differentiation of incomes and, it may be said, to the growth of poverty. Everyone paid the inflation tax apart from an insignificant group of the very rich who made money out of inflation. The situation is not improving now. On the whole the living standard can be stabilized. But there are new problems—a structural crisis has replaced the general crisis. This means that for some people things have improved but many are facing ruin: We have a tough monetary policy but no state injections of cash. The structure of production and the economy are beginning to be transformed.

A very serious social phenomenon is emerging: Workers are being dismissed and the unemployment problem is getting worse. At present, according to various estimates, 7-8 percent of the active population in our country is out of work. But if you include hidden unemployment that figure rises to 11-12 percent. And these figures are even higher in certain regions where the textile and defense industries and aviation machine building are based and there is no compensation in the form of the development of trade, the banking sphere, and services (such as in Ivanovo and Saratov oblasts, Altay Kray, and the Far East).

That is why social policy must be flexible and effective and must respond promptly to acute phenomena in society. Such measures are envisaged by the government's present program. Regional policy is also planned in the light of these realities.

Such, broadly speaking, is the main content and ideology of the government's plans. It should be borne in mind that the program adopted for 1993-1995 is still in operation today. Why replace it with a new one? It turns out that 70-80 percent of the previous program's measures, apart from financial stabilization, have been fulfilled. That is to say, on those points the corresponding decisions have been adopted and are being implemented. Thereafter the principle of continuity should operate in the planning of policy. The new stage demands a new program—a more or less noticeable economic growth will begin at the end of stabilization. It will envisage not only the government's action strategy but will point out specifically what must be done to achieve the various goals. Then it will be a question of issuing precise instructions.

When characterizing the program in general terms it may be said that it is cautiously optimistic and based on what can be achieved given reasonably favorable conditions. For example, if there is a repeat of last fall's aberrations our plans could be wrecked. But if that does not happen there is every likelihood that we will achieve our goal. In any event the government will do everything in its power to see the program through to a favorable conclusion.

Cabinet, Experts Discuss Budget, Staffing Issues

MM2903111595 Moscow ROSSIYSKIYE VESTI in Russian 28 Mar 95 p 1

[Report by Lyudmila Biryukova: "A Thousand and One Days To Revive the Economy"]

[FBIS Translated Text] The government does not often invite those people who will have to carry out its decisions to take part in the decision-making process, especially not when crucial decisions are at stake. But that is precisely what happened this time. The Cabinet of Ministers' approval of the economic development program for 1995-1997 took place in the Kremlin's Marble Hall. The invitees included heads of the components of the Federation, deputies from both chambers of parliament, leaders of enterprises and banks, and scientists. They not only attended but even took the rostrum, joined in the debate, and made proposals.

The program itself, which has already been dubbed the three-year plan, was not called into question. This is a matter of no small importance. There have been enough debates on the subject of the direction that we are taking. But the discussion was certainly not bland. Its critical tone was set by the keynote speaker, Prime Minister Viktor Chernomyrdin.

Cabinet members made it plain to the audience that they are ready to fight to keep the tough budget for 1995 within its parameters. Although the temptations not to do so are great. Finance Minister Vladimir Panskov spoke about them. Hardly had the ink dried on the Russian president's edict on abolishing concessions on foreign economic activity, he said, than requests for new concessions poured in from all sides. Every organization is trying to prove that it is a special case, that is not like the rest, and that it would be an utter disaster if it lost its concessions. The minister dashed the petitioners' hopes and reminded them that financial discipline is the same for all.

V. Panskov himself came in for criticism from the premier. V. Chernomyrdin said that never in Russia's history had there been such lax control of the expenditure of the state's resources as now. And he cited a number of examples. The Tomsk Oblast Administration received the treasury's money for the shipment of goods to the Far North but left that money in commercial bank deposit accounts instead of using it as intended. The Koryak Autonomous Okrug leadership used treasury funds to buy a plane for the administration's needs.

It has long been evident that the larger an administration's apparatus becomes the less order there is because this breeds a lack of responsibility and buck-passing. Consequently reducing the size of an apparatus makes sense not just on grounds of economy. The audience paid particular attention to the issue of the overinflated apparatus. The following figure was cited: We already have around 1 million functionaries. The government expressed a readiness to begin a clear-out and streamline the tiers of management starting with itself. At Government House there are around 76 different types of commissions and staffs headed by cabinet members and other leading officials. Recently yet another commission was formed—the commission to reduce staff. In the six months of its existence it has met twice and not cut staff by even a single position. This characterizes best of all anything the results of this style of management.

The idealistic attempts to transform our sluggish, deformed, cost-based economy inside 500 days have become a thing of the past. The time has come for tasks that are entirely realistic and within our capabilities. A new task has now been set: namely, to build a bridge between the inflationary past and the investment-oriented future within three years or a little over 1,000 days.

Chernomyrdin Sees Private Bank Role in Chechen Restoration

LD2803192795 Moscow ITAR-TASS in English 1854 GMT 28 Mar 95

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Translated Text] Moscow March 28 (TASS)—Prime Minister Viktor Chernomyrdin said on Tuesday that assets of Russian private banks should be attracted to the restoration of Chechnya's economy.

Speaking at a sitting of the state commission on Chechnya's economy restoration, the premier suggested working out "an agreement between the finance ministry and commercial banks."

According to Deputy Finance Minister Stanislav Korolyov, 458 billion roubles have been already allocated for this purpose from 2.8 trillion envisaged for 1995.

Upon premier's proposal, the next sitting of the commission will be held in Groznyy next week.

Davydov Voices Concern Over 'Huge Currency Drain'

LD2303122395 Moscow INTERFAX in English 1124 GMT 23 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 23 (Interfax)—Russia's Foreign Economic Ties Minister Oleg Davydov, a deputy premier, has voiced concern over a huge currency drain worth billions of dollars from Russia.

In an interview with Interfax, he voiced fear that this process might augment soon after the abolition of the institution of special exporters as of March 25 this year in line with the March 6 presidential decree on foreign trade principles.

In Davydov's opinion, the decreed invocation by July 1 of a single state system of foreign trade and currency account, "regrettably, lags behind resolute steps toward export liberalization that should be matched by stricter control over currency revenue from export transactions."

As Davydov believes, from March 25 to July 1, the foreign market may be reached by a significant number of new exporters, whose real currency earnings and their further application will be hard to control. As a result, in his opinion, given a rather high pace of inflation, there may be "an outburst of capital drain from Russia through the concealment of part of export profits in foreign banks."

Deputy premier argues that the currency control system the Russian government has been instructed to devise "should be very tough, clearly defining what can be done and what's taboo." This is essential because many Russians misconceive "the free market as a place where anything is allowed," Davydov noted.

According to him, in choosing the concept of a new currency regulation mechanism, "one should proceed from the assumption that he is unable to get over a crisis by purely market methods."

At the same time, Davydov is convinced that to curb the mounting flow of capital out of Russia to foreign banks and return them to the national economy, it is necessary to above all "create a reliable political system in the country, cut inflation down to 3-4 percent a year, and restore or arrange profitable enterprises in most industries."

Russian experts estimate last year's drain of capital from Russia at $2.5-5 billion.

Privatization Fails To Yield Expected Revenue

MM2903091995 Moscow IZVESTIYA in Russian 28 Mar 95 p 2

[Report by Igor Karpenko: "Privatization Plan So Far Less Than 1-Percent Fulfilled"]

[FBIS Translated Text] Privatization should yield some 9.1 trillion rubles [R] in 1995. But at the last government session Viktor Chernomyrdin noted the alarming position regarding privatization proceeds. "So far," he stated, "they amount to just a few tens of billions of rubles. And this is just a tiny proportion of the amount envisaged by the revenue side of the budget."

The premier honestly admitted that the budget has had to pay for mistakes in personnel policy, irresponsible statements made by leaders, the debates about renationalization, and shortcomings in legislative and normative work and in the protracted organizational preparation for the monetary stage of privatization. V. Chernomyrdin promised that the government would this week examine the entire range of issues relating to the new stage, would make decisions on the timetable for the sale of state shareholdings, would cut all kinds of restrictive and prohibitive lists, and so forth.

It has to be said that the premier has plenty of grounds for concern—so far not a single enterprise has been privatized under the new conditions and the volume of sales of shares remaining in the wake of check privatization has fallen sharply, although under the presidential edict the rest of these shares were to have been sold last year. Things will probably get moving only in early March—after a long interval property committees and funds have put more than 100 enterprises out for tender and auction (including all-Russia enterprises). The sale of their shares will, of course, make it possible to raise many hundreds of billions in budget revenue.

At the same time, the government decision to audit the monetary stage is very timely. Local authorities have illegally built up huge shareholdings in allegedly privatized enterprises at regional level, holding companies are now accumulating a considerable amount of state shares, the huge reserve provided by the inflow of revenue to the treasury from the sale of plots of land for enterprises is virtually not being utilized, and there are lots of problems with the sale of real estate. Many questions need legislative and normative formulation. This is not the first year that there has merely been talk about the acute need to adopt laws that will be fundamental for privatization—on joint-stock companies, the securities market, private land ownership, and so forth. If mechanisms to accelerate the process of monetary privatization are not defined and clearly regulated, the budget will be left without its planned trillions.

We were told by the State Committee for the Management of State Property that the timetable for tenders and auctions for the entire year would be finalized by April in order to allow investors to mobilize funds and prepare for the auctions in advance. Measures to provide material incentives for organs and individuals engaging in privatization, to accelerate it, and to ensure the effectiveness of the sales have been defined. At a session of the committee collegium Anatoliy Chubays stated: "Privatization here will not be check-based but money-based, and this means that everything will be priced in money terms. If the Finance Ministry accounts receive money from this source, then things are working. If they don't, then things are marking time...."

Cabinet Puts Off Privatization of Commercial Banks

MK2803073095 Moscow SEGODNYA in Russian 28 Mar 95 p 1

[Unattributed report: "Government Postpones Privatization of Commercial Banks"]

[FBIS Translated Text] The Russian Federation Government decree on privatizing the state's shares in the capital of commercial banks can be approved only after the passing of new wording of the laws "On the Central Bank of the Russian Federation" and on "Banks and Banking Activity." A cabinet of ministers source said that the government has postponed the solution of the question on commercial bank privatization until the State Duma confirms the two laws that regulate questions of the functioning of the banking system in the Russian Federation. The government decree is supposed to define a procedure for commercial banks to buy the government-owned shares of their incorporation capital, as well as the premises they occupy that is state or municipal property.

Inflation Data for 13-20 March Reviewed

MM2903120295 Moscow ROSSIYSKAYA GAZETA in Russian 29 Mar 95 First Edition p 3

[Unattributed report "based on figures provided by the Russian Government Center for the Economic Situation Price Analysis and Forecasting Administration": "Prices for the Week 13-20 March. Inflation Takes Root in Siberia"]

[FBIS Translated Text] The overall inflation index over the week stood at 102.5 percent—107 percent since the beginning of the month and 140 percent since the beginning of the year. Food prices over the past week rose by 2.2 percent, while prices of nonfood goods and consumer services rose by 2.9 and 2.6 percent respectively.

The West Siberian Region took the lead in terms of the increase in consumer prices—up 3.7 percent. Lagging a long way behind is the Northwestern Region. The smallest change in consumer prices was recorded in the Central Chernozem and Volga-Vyatka Regions—up 1.7 percent.

Of the foodstuffs under review over the past week the price of certain varieties of fish and canned vegetables and fruits rose by 3-4 percent while prices of certain meat and dairy produce, bread, and pasta rose by 2.4-2.8 percent. Prices of cognac and champagne are still rising rapidly—up 3.8 percent over the week—while the price of beer rose by 5 percent. At the same time prices of animal fat and margarine did not top last week's level. On average egg prices dropped by 1.6 percent.

Food prices rose the most noticeably in Western Siberia—up 3 percent. Last week in the cities of Novosibirsk Oblast food prices were on average 5 percent higher than the previous week. Prices of certain fish and vegetables rose the most in the cities under review in this region—up 17-20 percent—along with the prices of certain meat products, bread, and groats—up 7-12 percent.

As of 20 March the average cost of the basket of 19 most important foodstuffs stood at 155,000 rubles [R] per month, up 2 percent over the week. It has risen 40 percent since the beginning of the year.

The greatest increase in the cost of the food basket among the economic regions was recorded in the cities under review in the West Siberian and North Caucasus Regions—up 4.6 and 2.7 percent respectively. For residents of the Volga-Vyatka and Far East Regions there was a minimal rise in the price of the basket last week—less than 1 percent.

Of the cities under review over the week the price of the food basket rose by over 10 percent in Novosibirsk, Elista, and Surgut. At the same time in a third of the cities the increase did not exceed 1 percent. As of 20 March the cost of the basket in Moscow and St. Petersburg stood at R191,000 and R170,000 respectively. Moscow and St. Petersburg were in 13th and 19th place respectively among Russia's republic, kray, and oblast centers, as was the case a week ago.

Of the nonfood goods under review the price of medicines, dressings, certain kinds of construction materials, furniture, fabrics, clothing, and crockery continued to rise rapidly. Thus, the price of such medical preparations as valocordin, corvalolum, and validolum and construction materials like slate and ruberoid, as well as silk fabrics, women's raincoats, and boys' shirts rose by 5- 6 percent over the week. Furthermore, the price of imported cigarettes rose by 6 percent over the week, while the price of household soap and toothpaste rose by 4.5 percent.

Prices of costly industrial goods saw the least change. For instance, prices of fur goods, refrigerators, and televisions rose by less than 2 percent over the past week.

The price of nonfood goods rose the most for residents of the West Siberian Region. Prices of industrial commodities rose particularly appreciably in the cities of Tyumen Oblast—by 18 percent on average. The price of certain men's and women's clothing and furniture in Tyumen rose by 50-70 percent while the price of knitwear and footwear rose by 30-40 percent, and the price of toilet soap and toothpaste rose by 40-50 percent.

Average prices and rates of subway travel rose the most significantly over the past week (up 27 percent), along with mains gas (up 22 percent), and certain tourist services (up 15 percent).

Prices of consumer services rose the most in the Central Chernozem and Central Regions (by 3.7 and 3.5 percent respectively) and the least in the Northern Region (less than 1 percent).

The increase in the cost of passenger travel, notably the 50- percent increase in Moscow Subway fares, had the main effect on the rise in prices and tariffs for consumer services in the Central Region.

New Aide Appointed to Antimonopoly Body

MM2703153395 Moscow ROSSIYSKAYA GAZETA in Russian 25 Mar 95 First Edition p 1

[Unattributed report: "Official"]

[FBIS Translated Text] Under a Russian Federation Government directive Viktor Alekseyevich Martyanov has been appointed general director of the Enterprise Support and Competition Development Fund of the Russian Federation State Committee for Anti-Monopoly Policy and Support of the New Economic Structures.

International Affairs

Moroz, Trade Delegation Hold Talks in ROK

AU2903083195 Kiev HOLOS UKRAYINY in Ukrainian 25 Mar 95 p 1

[Unattributed report: "Business Prospects"]

[FBIS Translated Text] The program of the visit by the chairman of Ukraine's Supreme Council, Oleksandr Moroz, to the Republic of Korea envisages meetings at the highest level: With Mr. Hwang Nak-chu, speaker of the Korean National Assembly; with Mr. Hong Chae-hyong, vice prime minister and minister of finance and economy; as well as with heads of a number of leading ministries. Ways for expanding cooperation will also be discussed with the automobile corporation Hyundai, which is well known in the world.

It stands to reason that, as a result of Oleksandr Moroz's visit to the Republic of Korea, numerous business contacts will be established, since the delegation includes a large group of representatives of Ukrainian business circles.

A mission of Ukraine's Chamber of Commerce and Industry to be opened in Seoul will form a firm foundation for future economic ties.

The visit will take place from 27 to 30 March.

Moroz Views 'Large-Scale' Cooperation

LD2803201195 Kiev UNIAN in Ukrainian 1800 GMT 28 Mar 95

[FBIS Translated Text] Seoul—Supreme Council Chairman Oleksandr Moroz said today that "the visit of a Ukrainian delegation to Korea is the beginning of large-scale and promising cooperation." Moroz was speaking at a Ukrainian presentation at the Korean-Russian economic association on 28 March. He said Ukraine had "quite a good legislative basis" for Korean businesses to access the Ukrainian market.

It is primarily advanced Korean technologies that are of interest to Ukraine, and Ukrainian fundamental sciences, aerospace designs, ore-extraction metallurgy, the production of pure metals, and genetic engineering to Korea, he said.

On the same day, Moroz met Korean National Assembly Speaker Hwang Nak-chu and saw the Korean parliament in session. "Speedier economic reforms in Ukraine are possible given the participation of the states that may have an interest of their own in Ukraine. Korea is such a state," Moroz said, adding that the news blackouts in both countries about each other should end as soon as possible. As the first step toward this, Ukraine's Chamber of Commerce and Industry will open its official mission in Seoul on 30 March. A Korean counterpart in Kiev will follow.

Hwang Nak-chu spoke highly of Ukraine's attainment of national unity, pledging that the 9,000 ethnic Koreans who reside in Ukraine will help strengthen its independence. The Korean National Assembly speaker announced the institution of a Ukrainian-Korean friendship parliamentary association to consolidate interparliamentary relations.

"Ukraine should avoid employing the experience of other nations, including Korea, in the management of the state, particularly if it is about diktat or the strong arm," Moroz said in an interview on 28 March. He added: "South Korea's transition from a dictatorship to a democracy is no classic, as the economy here at that time worked quite efficiently. In addition, Korea had been integrated in the world economy. South Korea has proven that, on the basis of President Park Chung-hee's ideas on social development without external help, building one's economy on one's own is possible."

He urged both Korean states' unification, saying that Ukraine should learn from the experiences of both Seoul and Pyongyang.

Ukraine could make use of Korea's electoral system, under which some of the deputies are elected from party lists, Moroz said. "Due to the large number of parties in Ukraine, however, it would be reasonable to have elections from party blocs of common orientation," he concluded.

Lithuanian President Arrives for Official Visit

LD2803083795 Moscow ITAR-TASS in English 0804 GMT 28 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] Kiev March 28 TASS—Lithuania's President Algirdas Brazauskas today arrived for a two-day official visit to Ukraine where he is due to sign a package of agreements on expanding cooperation between the two countries.

Sources in the press service of the Ukrainian president's administration told ITAR-TASS that Lithuania and Ukraine were due to sign an agreement on regulating voluntary resettlement of Lithuanian citizens and persons who retain the right to Lithuanian citizenship from Ukraine to Lithuania, and on regulating the resettlement from Lithuania to Ukraine of persons claiming Ukrainian citizenship.

The two countries are also expected to sign agreements on labour activity and social protection of the citizens of the two countries who work beyond the boundaries of their respective states, on cooperation in the field of railway transportation, and on visa-less trips of their citizens.

Ukraine and Lithuania are also due to sign a convention on preventing double taxation of incomes and property.

On the first day of his visit, Algirdas Brazauskas is scheduled to meet President Leonid Kuchma, acting prime minister Yevgeniy Marchuk and other officials.

Marchuk Discusses Trade With Brazauskas

LD2803201695 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 28 Mar 95

[FBIS Translated Text] During a meeting on 28 March, Lithuanian President Algirdas Brazauskas, who is in Kiev on an official visit, discussed with Ukraine's Acting Prime Minister Yevhen Marchuk the possibilities of increasing bilateral trade turnover. We are accumulating experience in bilateral trade, the Lithuanian president said. The question of how to trade is, above all, tied up with the problem of mutual payments, the unification of bank functions, and the introduction of the clearing system, as neither of the two countries have sufficient hard currency.

Brazauskas praised the initiative of Lithuanian entrepreneurs' to purchase shares in Ukrainian companies producing vegetable oil. They started a guild of two major banks and a number of commercial companies in an attempt to create an effective system of payments between Ukrainian and Lithuanian enterprises.

The meeting was attended by Ukraine's Foreign Affairs Minister Hennadiy Udovenko, Cabinet Minister Valeriy Pustovoytenko, and other officials.

Brazauskas: Crimean Problem Internal Matter

LD2803202095 Moscow ITAR-TASS in English 1951 GMT 28 Mar 95

[By UKRINFORM correspondent Vladimir Medyany]

[FBIS Transcribed Text] Kiev March 28 (TASS)—Other countries should not interfere in the solution of the Crimean problem, Lithuanian President Algirdas Brazauskas told a news conference in Kiev on Tuesday [28 March]. Brazauskas arrived in the Ukrainian capital for a two-day official visit.

The Lithuanian president stressed that the Crimean problem is Ukraine's internal matter and only it has a right to solve it.

Brazauskas on Nuclear Power Issues

LD2803203595 Moscow ITAR-TASS in English 2023 GMT 28 Mar 95

[By UKRINFORM NEWS AGENCY for TASS]

[FBIS Transcribed Text] Kiev March 28—Chernobyl-type nuclear power plants should work their lifetimes in Lithuania and Ukraine, Lithuanian President Algirdas Brazauskas told a news conference in the Ukrainian capital Kiev today.

Brazauskas said he knew the problem well as Lithuania had an operating Chernobyl version of the nuclear power plant on its soil.

Neither Lithuania nor Ukraine have sufficient funds to build an alternative power facility, Brazauskas said, and the only solution is to improve the safety of the plants and let them operate their designed lifetimes.

Brazauskas 'Satisfied' With Visit

LD2803234295 Moscow ITAR-TASS World Service in Russian 1725 GMT 28 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Translated Text] Kiev, 28 Mar—"I am satisfied with my visit to Ukraine. We succeeded in finding a common language and mutual understanding with its leadership." Lithuanian President Algirdas Brazauskas stated this today after the signing of a package of documents on furthering and expanding bilateral cooperation.

According to him, he has formed good friendly relations with Ukrainian President Leonid Kuchma. "We both used to work in the production sphere and, as practical workers, we understand the economic problems that our states are now facing," A. Brazauskas noted. "Though Lithuania does not border on Ukraine, we regard it as a good neighbor," he stressed.

The Lithuanian and Ukrainian presidents signed a declaration on furthering cooperation between the two countries and a consular convention.

The leaders of the foreign political departments of the two countries signed an agreement on mutual abolition of visas for the citizens with diplomatic and official passports and also a protocol on exchanging friendship and cooperation treaty ratification certificates.

Commenting on the visit of the high-ranking guest from Lithuania, Ukrainian President Leonid Kuchma described it as "rather fruitful." "I am glad of President Algirdas Brazauskas's visit. This visit will make our good relations even stronger," Leonid Kuchma noted.

Belarus President Discusses Safety at Chernobyl

LD2803181195 Moscow ITAR-TASS World Service in Russian 1126 GMT 28 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Translated Excerpt] Kiev, 28 Mar—Belarus President Alyaksandr Lukashenka and Valeriy Shmarov, Ukraine's deputy prime minister and defense minister, met in the region of the Chernobyl nuclear power station today. They discussed the level of nuclear safety at the AES [nuclear electric power station]. The Belarusian president arrived in the town of Pripyat, Kiev region, today on a working visit.

Lukashenka and Shmarov also discussed the prospects for cooperation between Ukraine and Belarus in eliminating the consequences of the catastrophe that happened at the AES in 1986, which affected the population of the nearby region, first and foremost. They particularly stressed the need to improve safety at the AES and social protection of the population affected by the incident. [passage omitted]

Kuchma: Japan Will Seek G7 Finance To Close Chernobyl

LD2803134795 Kiev UNIAN in Ukrainian 1200 GMT 28 Mar 95

[FBIS Translated Text] Kiev, [no date as received]—Official Tokyo intends to persuade the G7 to provide the necessary financial assistance to solve issues connected with the closure of the Chernobyl nuclear power station. Ukrainian President Leonid Kuchma stated this at a briefing today on the results of his visit to Japan. According to him, this problem is "more political than technical", and Ukraine is ready to adopt such a decision on condition that financial support is provided for the overall solution of all problems connected with closure of the station.

According to the president, Ukraine has already invested more than $300 million in increasing safety at the Chernobyl nuclear power station's generating sets.

Kuchma: Decision Likely on Chernobyl Closure

LD2803135295 Moscow INTERFAX in English 1024 GMT 28 Mar 95

[FBIS Transcribed Text] KIEV, Mar 28 (Interfax - Ukraine)—Ukraine is likely to take a political decision on closure of the Chernobyl nuclear power station, believes Ukrainian President Leonid Kuchma. Addressing a news conference in Kiev Tuesday, he said that the question will be raised at one of the future meetings of the Cabinet of Ministers of the republic.

"I understand the world community which is concerned with the safety situation at the Chernobyl power plant," said Kuchma. "However, we should proceed from considerations of nuclear safety," he said and added that an immediate closure of two units at the station will lower its safety level.

Ukraine, he said, is prepared to take such decision, however, it demands that the station's problems be considered in "a complex".

According to Ukrainian experts, investments worth around $4 billion are needed for the closure. Different countries expressed their readiness to earmark for the purpose $200-$400 million.

Russian Consular Group Activity in Crimea Protested

LD2803110295 Kiev UNIAN in Ukrainian 0830 GMT 28 Mar 95

[FBIS Translated Text] Kiev, [no date as received]—The Ukrainian Ministry of Foreign Affairs sent a note of protest on 27 March to the Russian Federation Ministry of Foreign Affairs in connection with the visit of the itinerant consular group from the Russian Federation's embassy, headed by Mikhail Glushkov, to Simferopol. UNIAN was informed of this at the Ukrainian Ministry of Foreign Affairs.

Ukrainian President Leonid Kuchma stressed at a briefing today that such actions by Russian diplomats contravene Ukrainian legislation and international norms. In particular, he noted that there is no provision on dual citizenship in Ukraine's Constitution. "One should make it clear that in the event of receiving dual citizenship, Ukraine's residents will not have the right to a share of property during privatization," Leonid Kuchma stressed.

Kiev Wary of Moscow's Stance on Crimea

LD2803170095 Moscow INTERFAX in English 1432 GMT 28 Mar 95

[FBIS Transcribed Text] Kiev, Mar 28 (INTERFAX)—On behalf of Ukraine's Foreign Ministry, its deputy chief Borys Tarasyuk has voiced anxiety at Russia's position on the relations between Ukraine and Crimea.

Briefing journalists in Kiev Tuesday, he reported that Foreign Minister Hennadiy Udovenko had sent messages to the leaders of UN, the Council of Europe, NATO, OSCE, the European Council's Parliamentary Assembly, and other international bodies, informing them about the resolutions on Crimea passed by Ukraine's legislature on March 17 (on the abolition of the constitution and the presidency - IF [INTERFAX] note). A similar letter, according to Tarasyuk, was sent to Russia's Foreign Minister Andrey Kozyrev.

The messages stress that the adoption of the appropriate decisions by Kiev were prompted by "the course taken by Simferopol towards changing Crimea's legal status: the Crimean leadership's strategic goal was Crimea's secession from Ukraine." Aimed at ensuring the territorial integrity of the state, the Ukrainian parliament's resolutions were passed in compliance with international law and the UN Charter, the letters note.

Commenting on what the Russian State Duma (lower house of parliament) decided regarding Crimea on March 22, Tarasyuk remarked that "they have grounds for concern." Over the last three years, territorial disputes have never cropped up in Russian-Ukrainian ties, now "the Ukrainian status of Sevastopol is being questioned, and the State Duma's decision describes Sevastopol as "the chief base of the Black Sea Fleet," Tarasyuk said.

Asked to comment on activity by the group of Russian lawmakers led by Konstantin Zatulin in Crimea, Tarasyuk replied "This activity does not contribute to closer Ukrainian-Russian relations, nor does it meet the course taken by the leaders of the two states toward strengthening a dialogue between our countries." The group, as Tarasyuk put it, "claimed the status of a delegation", even though it had not been invited by Ukraine's parliament, nor had there had been any official announcement about its arrival.

Parliament's 'Unwillingness To Cooperate' Criticized

LD2603154395 Moscow ITAR-TASS in English 1440 GMT 28 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] Kiev March 28 TASS—Ukrainian President Leonid Kuchma today sharply criticised the republic's parliament for its "unwillingness to cooperate with the country's executive arm of government". "One gets the impression that the parliament is deliberately blocking all the reformative initiatives of the president," Kuchma told a press conference here today.

Russia is now suggesting interesting projects linked with the creation of joint financial-industrial groups, Kuchma noted, but the parliament has again vetoed the corresponding presidential decrees. "Such actions by the Supreme Soviet merely ruin our economy," the president stressed. Kuchma adduced one more example of such actions: The Lisichansk oil refinery remained idle throughout this year, whereas the Tyumen oil workers were ready to set up a financial-industrial group and then to supply the raw materials badly needed by Ukraine.

"If the confrontation of the legislative and executive branches of government continued," the president said, "I will have to hold a referendum on this problem."

National Affairs

Kuchma on Japan Visit, Seeking New Ideology

LD2803141395 Kiev UNIAR in Ukrainian 1230 GMT 28 Mar 95

[FBIS Translated Text] Kiev, 28 Mar—"The Ukrainian-Russian treaty will be signed in Kiev if at all," President Kuchma said at the first meeting with representatives of the mass media since he returned from Japan. Having stressed the extreme importance of signing this treaty, Kuchma made clear that from now on the matter rests with the Russian president's good will.

Summing up the results of his trip to Japan, the Ukrainian president noted that Ukraine should now be approaching its "national miracle" similar to Japan's. In Kuchma's opinion, in Ukraine the national idea has not worked. "It is necessary to remove oneself from dogmas and search for a new ideology," the president considered. In Kuchma's view, only the economy is capable of saving the nation. Kuchma said that among "Japan's assets" one could include its recognition of Ukraine as a state with a transitional economy, the Japanese agreement to give $200 million of credits, and the opening of a Ukrainian Embassy in Tokyo.

With regard to his forthcoming speech in the Supreme Council, Kuchma noted that deputies would be given a precise analysis of the economic situation after which the president would make a speech on the program of actions of the executive powers.

Kuchma noted that agreements on credit assistance between the IMF and the G-7 countries are under threat of being broken after the Supreme Council adopted a law on remuneration for labor in its first reading, which in effect means that it will be impossible to implement the budget for 1995 with the planned deficit.

Kuchma mentioned his conversation with Michel Camdessus, the managing director of the IMF, who is concerned about this antireformist step taken by the Ukrainian parliamentarians. "Everything today depends on how the problem of power in Ukraine is resolved," Kuchma noted. In his opinion, the Supreme Council was deliberately dragging its feet over finding a solution to this problem because it did not wish to be transformed into a real European parliament.

The president again said that if the draft law on power was not adopted soon, the president's actions would be resolute. Kuchma does not exclude the possibility that there will be a plebiscite or even a referendum but "nobody will dissolve the Supreme Council."

Dwelling in detail on the situation in Crimea, the president stressed that he will continue to support Anatoliy Franchuk because "it was precisely his government that recently supported the peninsula's viability." With regard to the activity of the Russian Embassy's consular group in Crimea, Kuchma said that the Russian Ministry of Foreign Affairs has already been warned about the need to abide by the rules of international law from the point of view of the fact that Crimea remains part of Ukraine. A government meeting will be held soon under the chairmanship of the president, which will discuss the program of actions with regard to the situation on the peninsula.

Kuchma: Black Sea Fleet Problem Most Complex

LD2803130995 Moscow ITAR-TASS in English 1326 GMT 28 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] Kiev March 28 TASS—The Black Sea Fleet problem remains the most complicated one in Ukraine's negotiations with Russia, Ukrainian President Leonid Kuchma told a news conference on Tuesday [28 March]. However, it is not a question of the fleet's division, but the place of its basing that causes particular anxiety now, he noted. "If we manage to resolve this 'territorial' issue with Russia, the road to the signing of a treaty of friendship and cooperation between Ukraine and Russia will be open", Kuchma said.

Kuchma came out for an early settlement of all disputes. "Both sides, above all Ukraine, stand to lose if their solution is delayed", Kuchma said. He admitted, however, that the "negotiating process is difficult".

Kuchma Criticizes Parliament on Cooperation With Russia

LD2803144995 Moscow ITAR-TASS World Service in Russian 1034 GMT 28 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Translated Text] Kiev, 28 Mar (ITAR-TASS)—Ukraine's President Leonid Kuchma today sharply criticized the republic's Supreme Council for its "unwillingness to cooperate with the country's executive powers." "One gets the impression that parliament is making a special effort to hamper any reforming initiatives of the president," Kuchma said at a news conference today.

Russia is currently offering interesting projects to create joint financial-industrial groups, Kuchma noted, but parliament has again vetoed the relevant presidential decree. "Such actions by the Supreme Council only damage our economy," the president emphasized, quoting another example of such actions: This year the Lisichansk oil refinery has not worked a single day, while Tyumen oil producers are willing to create a finance-industrial group and supply the raw material to Ukraine.

If the conflict between legislative and executive powers continues, the president said, he intends to hold a referendum on this issue.

Kuchma Seeks Cooperation With Crimean Parliament

LD2803130195 Moscow ITAR-TASS in English 1055 GMT 28 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] Kiev March 28 TASS—"I shall definitely seek ways to cooperate with the Crimean Parliament," Ukrainian President Leonid Kuchma told a press conference here today. His statement to journalists was chiefly devoted to the situation in the Crimea and around it after the Ukrainian Parliament's March 17 decision to annul the constitution of this autonomous republic and to abolish the presidency in the Crimea.

Kuchma said that "mutual understanding was recorded" during his Monday evening meeting with Crimean Parliament Speaker Serhiy Tsekov. The sides had arrived at the conclusion that "the Crimea should remain in the single Ukrainian legal space in order to ensure normal work", the Ukrainian president noted.

In Kuchma's opinion, the settlement of the "Crimean issue" was impermissibly dragged out. "It should have been settled already last year, when the confrontation between the Crimean president and supreme soviet had reached its peak," he noted. "Personally, I am against dissolving the Crimean Parliament, but it must keep in line with the Ukrainian legislation," the president stressed.

Touching on the Crimean Parliament's March 22 decision to dismiss Prime Minister Anatoliy Franchuk, Kuchma said that "Franchuk's government was able to ensure the vital needs of the peninsula and the normal operation of its enterprises". Hence, the president has instructed the Cabinet of Ministers "to look into this dismissal and to discuss it at its next meeting". "It is premature to say what the final decision will be. The main thing is to keep everything within the limits of the law," Kuchma noted.

Speaking about the Russian leadership's attitude to the events in the Crimea and around it, Kuchma expressed gratitude to the representatives of the Russian authorities, who described the Crimean issue as "Ukraine's internal affair". Asked about the legality of the team of Russian consular officials now working in Simferopol with applications of Crimean residents for Russian citizenship, the president stressed that there was a corresponding agreement between the Foreign Ministries of the two states. However, Kuchma stressed, there are reports that these consular officials are trying to "recruit Ukrainian citizens and a note was addressed in this connection to the Russian Foreign Ministry".

In the president's opinion, Russian citizens, permanently residing in the Crimea, will be in a disadvantageous position, because "they will lose the right to vote during the elections and will not be entitled to take part in the privatisation".

Crimea's Tsekov 'Pleased' With Kuchma Meeting

LD2803163795 Moscow ITAR-TASS in English 1442 GMT 28 Mar 95

[By ITAR-TASS correspondent Lev Ryabchikov]

[FBIS Transcribed Text] Simferopol March 28 TASS—Chairman of the Crimean Supreme Soviet Serhiy Tsekov is pleased with the results of his meeting with Ukrainian President Leonid Kuchma. He told this to reporters on Tuesday [28 March] upon returning from Kiev.

"Our meeting was confidential. I have no right to reveal the contents of the conversation", Tsekov said. He said problems agitating Crimea were discussed. There was talk about the separation of powers between Crimean and Ukrainian authorities, but no decision has been taken. The meeting was held on a mutual wish and its consequences will be most positive. Its results will become known in two or three weeks, Tsekov said.

Answering a question from ITAR-TASS about the Ukrainian president's attitude to the Crimean parliament's decision to dismiss two cabinet chiefs, Tsekov was evasive. "It is clear to all that our decision is legitimate", he said.

Marchuk Accuses Crimean Leaders of Politicking

LD2803173395 Moscow INTERFAX in English 1629 GMT 28 Mar 95

[FBIS Transcribed Text] Kiev, Mar 28 (Interfax-Ukraine)—Ukrainian Acting Prime Minister Yevhen Marchuk criticized the Crimean leaders for "politicking" while the peninsula faced numerous economic problems.

He told Interfax-Ukraine Tuesday [28 March] that not a single political problem could destabilize Crimea.

Marchuk said that officials of the Ukrainian Cabinet and numerous ministries stay in Crimea now to help the leaders of the autonomy. In particular, a team under Deputy Prime Minister Pyotr Sabluk stays in Simferopol to deal with the spring sowing.

Marchuk added that a group of the Ukrainian Interior Ministry help Crimean police. "Every day two or three criminal gangs are neutralized. In particular, several assault rifles, a rocket propelled grenade launcher, several grenades and 1,500 rounds of ammunition were seized yesterday," he said.

Marchuk emphasized the need to work out the technology of various official delegations moving across Ukraine. In his view, Konstantin Zatulin, a Russian State Duma member, changed the nature of his Crimean visit which started as that of a private citizen to official but neither the Foreign Ministry nor parliament were notified.

Commission Head Outlines Proposals for Crimea

WS2803111595 Kiev URYADOVYY KURYER in Ukrainian 21 Mar 95 p 6

[Speech by Yu. A. Karmazin, chairman of the Interim Commission for Studying the Political and Legal Situation in the Crimean Autonomous Republic, at Ukrainian Supreme Council in Kiev on 17 March]

[FBIS Translated Text] As part of the implementation of Ukrainian Supreme Council decisions of 15 September, 22 September, and 17 November 1994, and based on the current Ukrainian Constitution and laws, the Interim deputies' commission continued to systematically study the situation that is taking shape in and around Crimea.

The commission notes that after the Crimean Supreme Soviet formed a government with Anatoliy Franchuk at the head, the management of the national economic complex, destroyed by Crimean President Yuriy Meshkov some time ago, has been largely restored on the peninsula. Wages are being paid to budget-financed organizations, as well as pensions and benefits to low-income individuals and citizens in need of financial aid, in timely fashion. While more than 650,000 hectares of land remained fallow in October 1994, only 50,000 hectares are presently fallow.

The Ukrainian Cabinet of Ministers resolution "On Measures To Stabilize the Socioeconomic Situation in the Crimean Autonomous Republic" of 10 December 1994; the Ukrainian president's directive "On Providing Financial Aid to the Autonomous Crimean Republic in 1995" of 23 January 1995; and the Cabinet of Ministers' protocol on extending the validity of the "Agreement on Budget Relations Between the Ukrainian and Crimean Governments for 1994" of 25 January 1995, all promote the stabilization of the socioeconomic situation in Crimea.

At the same time, the Crimean economy, just as the Ukrainian one, is experiencing a grave crisis. The peninsula's agricultural complex is affected by the aftermath of drought.

In spite of the fact that on 22 September 1994, the Ukrainian Supreme Council adopted the resolutions "On the Political and Legal Situation in the Crimean Autonomous Republic" and "On the Implementation of the Resolution by the Ukrainian Supreme Council 'On the Political and Legal Situation in the Crimean Autonomous Republic'" on 17 November 1994, no steps have been taken toward bringing the Constitution and laws of the Crimean Autonomous Republic in line with the Ukrainian Constitution and laws; and these resolutions, as well as the Republic's name, Autonomous, are being ignored.

Moreover, the Crimean Supreme Soviet has adopted new legislative acts that run counter to the Ukrainian Constitution and laws.

As is known, creation of the regional division of the Ukrainian State Property Fund in Crimea has been stalled all along by the Crimean Supreme Soviet.

By the Ukrainian State Property [FDM] order No. 962, of 16 December 1994, the Regional Division of the Ukrainian FDM in the Crimean Autonomous Republic has been established. O.S. Holovizin was appointed acting chairman of the Regional Division. These steps could not have been taken without help on the part of the Interim Commission.

However, on 12 January 1995, the Crimean Supreme Council adopted the resolution "On the Regional Division of the Ukrainian State Property Fund in the Crimean Autonomous Republic," which suspended the above order by the Ukrainian FDM and considered it necessary to shift responsibilities of the Ukrainian FDM's Regional Development to the Crimean State Property Fund.

The Crimean Supreme Council also adopted on 12 January 1995, the resolution "On State Property Facilities in the Crimean Republic and Property of All-Union Public Organizations Located on Territory of the Crimean Republic." This resolution suspended the above resolutions by the Ukrainian Cabinet of Ministers, No. 238 and No. 594, and declared all state-run facilities subject privatization as Crimean property.

Speaking at the session of the Crimean Supreme Soviet, A. Kotelnikov, chairman of the Crimean State Property Fund, stated: "If we fail to seize this opportunity, we will be forced to trail behind the Ukrainian privatization that would be making great strides in Crimea." "The Crimean Republic, having failed to become an owner, as a matter of fact, is striped of its statehood." [preceding passages within quotation marks published in Russian]

In Item 2 of its 22 September 1994, resolution, the Ukrainian Supreme Council turned to the Ukrainian president, as the guarantor of observance of the Ukrainian Constitution and laws, with a proposal to undertake measures intended to bring acts of the Crimean executive branch in line with the Ukrainian Constitution and laws, particularly edicts issued by the Crimean president suspending activities of the Crimean Supreme Soviet and local soviets at all levels leading to the liquidation of democracy in the Autonomous Republic.

In compliance with Item 7-2 in Article 114-5 of the Ukrainian Constitution, Ukrainian President Leonid Kuchma canceled on 12 January 1995 four resolutions passed by the Crimean Supreme Soviet.

The Ukrainian president's edict of 21 February 1995 pronounced that six edicts issued by Crimean President Yuriy Meshkov were in contradiction with Article 75-1 in Chapter 14 of the Ukrainian Constitution defining the procedures for creation and activities of local councils of people's deputies, as well as with Ukrainian laws "On Local Councils of People's Deputies and Local Self-Government" and "On Establishing Local Government and Self-Government Bodies," [and that these edicts] lead to the liquidation in Crimea of democratic principles of the power-building process in Ukraine. These are the grounds on which the Ukrainian president canceled the illegal edicts.

The commission is forced to state that the edicts "On Banks and Banking Activities on Crimean Territory" and "On Currency Regulation and Currency Control," both issued by Crimean President Meshkov on 11 April 1994, and contradicting the Ukrainian Constitution and law, remain valid.

The edict from the Crimean president "On Banks and Banking Activities on Crimean Territory" declared the Crimean Republican Bank as property of the Crimean Republic, announced its autonomy from the Ukrainian National Bank, and granted it a range of rights that are typically enjoyed by a state's central bank, including the right to issue money, register banks, define the structure and the amount of the money in circulation, etc.

Lack of compliance of the Crimean Constitution and laws with the Ukrainian Constitution and laws destabilizes the peninsula's political life. As was already noted, the Crimean president's structures, too, contribute to this situation, absolutely failing to influence socioeconomic life on the peninsula since their very creation, and mismanaging instead the Crimean budget funds by spending money on bodyguards and trip escorts. They have repeatedly put the Crimean situation on the brink of explosion. Recently, the Crimean president has approved a number of populist edicts aimed at stalling activities conducted by the Crimean Government to normalize the Republic's economic situation.

The commission believes that continuation of those brutal violations of the Ukrainian Constitution and legislative acts is inadmissible and sees it fit to cancel the Crimean laws regarding the presidency in the Autonomous Republic.

It should be impartially stated that the Crimean Government, too, sometimes violates Ukrainian legislation.

Resolution No. 259 adopted by the Crimean Government on 15 December 1994 lifted economic sanctions on water, gas, heat, and electricity supplies to enterprises, of all types of ownership, [from] energy-delivering organizations for the period 1 November 1994 to 1 January 1995. The above resolution contradicts the requirements of Ukrainian legislation, because according to the Ukrainian law "On Ownership," the owner uses and disposes of the property that belongs to him at his discretion and has every right to apply any actions regarding it. The Crimean Government has no powers to curtail this law.

This is also the reason why Crimean Government Resolution No. 279 of 15 December 1994 regarding a ban on exports outside Crimea of grain, cattle, hogs, fish products, cattle-breeding products, sunflower seeds and oil, and vegetables in 1994-1995 should not be valid either.

The report on the political and legal situation in the Crimean Autonomous Republic would be incomplete without pointing out certain steps on the part of state bodies and officials of the Russian Federation.

On 23 November 1994, the Russian State Duma examined the so-called Crimean issue. The declaration by the State Duma and the Russian Federal Assembly regarding the Ukrainian Supreme Council's resolution "On the Political and Legal Situation in the Crimean Autonomous Republic" was passed by 285 votes.

It is surprising that the State Duma examined an issue not lying within its competence, but exclusively within that of Ukraine.

Some representatives of Russian political circles are also making attempts to interfere with the political processes. To name a few, offensive declarations, bordering on interference in Ukraine's internal affairs, were made by Moscow's Mayor Yuriy Luzhkov during his visit to Sevastopol in late 1994; Russian State Duma Deputy A. Barsukov, with the consent of Crimean Supreme Soviet Deputy Chairman O.O. Melnykov, attended on 10 January a meeting at the Supreme Soviet Presidium and handed over a package of documents containing a proposal to establish permanent representation of the Crimean Supreme Soviet at the Russian State Duma.

On 23 December, following a proposal by Deputy Grach, the Crimean Supreme Soviet approved the so-called "Declaration on Denunciation the Byelovezha Agreement," contending that the leaders of Ukraine, Russia, and Belarus did not have the consent of [their] people to sign the agreement.

In its notes No. 077/845-95 of 3 February 1995 and No. DPU/102 of 24 February 1995, the Ukrainian Foreign Ministry gave its consent for the Russian Embassy in Ukraine to apply the mobile type of consular support [vyyizdna forma konsulskoho obsluhovuvannya] in Crimea; but it also warned that Russian Embassy employees should abide in their activities by the law of the country in which they work, as stipulated by the 1963 Vienna Convention on consular relations.

Unfortunately, the Black Sea Fleet Personnel Administration and other organizations violate this convention, as it defines consular functions as the representation and protection of interests of fellow citizens (Russian citizens in this case) and authorizes only diplomatic officials to perform them.

This situation is considerably complicated by Russian legislation, with is aggressive in its nature, on citizenship issues, because, as is known, following amendments introduced on 17 June 1993 to the law "On the Russian Federation Citizenship," operation of this law expanded to cover the entire population (including the citizens) of newly independent states that sprang up following the demise of the Soviet Union. Thus, in fact, Russia has unilaterally created legal grounds for "dual citizenship."

The situation is also substantially complicated by the fact that in violation of the Yalta and other Ukrainian-Russian agreements, the Black Sea Fleet command is selling, leasing, and otherwise economically alienating the facilities and land that were not used by the fleet to the advantage of commercial structures, local councils, and other illegal owners, instead of handing them over to the Ukrainian Navy. Such actions by the Black Sea Fleet command impede the formation and logistical support of the Ukrainian Navy and lead to Russia's unlawful enrichment at the expense of Ukraine, which is a legal owner of its share of the Black Sea Fleet.

Also, the severe crime situation contributes to the worsening of the political situation in the Crimean Republic.

As many as 30,800 crimes were registered in the Republic last year. The number of aggravated crimes rose by 57.5 percent, compared with 1993—much more than in the rest of Ukraine; the number of premeditated murders rose by nearly 30 percent, aggravated bodily injuries by 28 percent, assaults by 11 percent, and rapes by 17 percent.

According to evidence provided by the General Prosecutor's Office, compared with 1993, the number of unsolved aggravated crimes increased by 52.6 percent, including premeditated murders by 43.7 percent, rape—25 percent, and assaults 3.9 percent. The performance of special anti-organized crime units was low.

According to evidence from the Ukrainian Interior Ministry, 51 contract murders have been registered. Given the present grave situation, the Ukrainian Interior Ministry allocated an additional 763 staff units [shtatni odynytsi] and material and technical resources. In a bid to reinforce the Crimean militia, more than 1,000 subunit "Berkut" employees, 200 operational agents, and 120 people from the ministry apparatus were dispatched from several Ukrainian oblasts; some 2,500 National Guard and Armed Forces servicemen were engaged into conducting certain operations. Military equipment, helicopters, and night-vision devises have been used.

As many as 875 firearms have been confiscated from criminals, including five machine guns, 36 submachine guns, 120 rifles and carbines, 111 handguns, about 200 mines and grenades, and more than 50,000 cartridges.

At the same time, the situation has recently been particularly destabilized by explosions on the streets, near offices and stores. This year, 17 explosions have been reported; of these, 12 were in Simferopol, two in Yevpatoriya, and one each in Kerch, Yalta, and Feodosiya.

It came to an attempt on the deputy prime minister's life and threats addressed to the prime minister—the officials who have recently worked fruitfully to stabilize the Crimean economy.

As is known, Ukrainian Supreme Council Resolution No. 15/94 of 20 May 1994 canceled the law "On Restoring the Constitutional Base of the Crimean Republic's Statehood," adopted by the Crimean Supreme Soviet on 20 May 1994 reinstating the Crimean Constitution's edition of 6 May 1992, on the grounds that it contradicts the Declaration on Ukrainian Sovereignty and Articles 31, 70, 75-1, and 77 of the Ukrainian Constitution.

Despite this fact, the whole range of Crimean Republic's legislative acts continued to be adopted based on the invalid Constitution and in gross violation of the Ukrainian Constitution. As a matter of fact, those legislative acts were designed to lead Crimea even further out of the Ukrainian legal field by laying the legal groundwork for the existence of an independent state—that is, aimed at violating Ukraine's territorial integrity.

It is obvious that in case the autonomy retains its status, supported by most of the commission's members, a pressing need will arise to introduce changes into the current Ukrainian Constitution that would specify the legal status of the Autonomous Republic.

To ensure clearer operations in the Republic and remove tensions that developed in relations between Ukraine and the Crimean Autonomous Republic, it is proposed that the law "On the Crimean Autonomous Republic" be adopted with the simultaneous cancellation of the above laws.

Since the suspension in operation of the Crimean Constitution in its edition as of 6 May 1992, in fact, never occurred due to the Crimean Supreme Soviet's disregard for the Ukrainian Supreme Council resolutions, it should be rescinded in its entirety, with only the parts of the legislative acts adopted based on this Constitution preserved as valid which do not contradict the Ukrainian Constitution and law.

In the opinion of commission members, if accepted, the above proposals would promote the stabilization of the political and legal situation in Crimea and allow to preserve the unitarian state and develop regional policies in Ukraine.

Communist Party of Crimea Protest Published

954F1893A Simferopol KRYMSKAYA PRAVDA in Russian 23 Mar 95 p 1

[Communist Party of Crimea statement: "Decisions of the Supreme Council of Ukraine Protested"]

[FBIS Translated Text] A statement of the Communist Party of Crimea Republic Committee Presidium that has been received by the newspaper observes that the laws and decrees concerning the political and legal situation in Crimea adopted by the Supreme Council and the president of Ukraine on 17 March of this year are a consequence of the ill-considered measures of the power structures of Ukraine, which are objectively aimed primarily at an exacerbation of the situation in Crimea to distract the attention of the population of Ukraine from the resolution of acute social problems and at an escalation of the growth of tension in relations between Russia and Ukraine.

The Communist Party of Crimea Republic Committee condemns together with this the actions of the parliament of Crimea, which, instead of a solution of vitally important questions, has for a long time been preoccupied with parliamentary showdowns, political intrigues, and speculation with its election program.

The republic committee believes that the cancellation of the Constitution and certain laws of the Republic of Crimea is a flagrant flouting of democracy and the will of Crimeans, who on the basis of the results of the all-Crimea referendum of 20 January 1991 restored the autonomy of Crimea, and the decision that the city of Sevastopol is not a part of Crimea is contrary to common sense.

We demand that the elections of deputies and chairmen of local councils be held on the date scheduled by the Supreme Council of Crimea and in a stable atmosphere.

The Communist Party of Crimea states once again that it was from the very outset categorically opposed to the introduction of the institution of a presidency in Crimea and Ukraine. At the present time everyone has seen for himself that the presidency has done nothing for people's benefit and has produced only internal discord in the struggle for power, in which all campaign promises have drowned.

We reject the methods by which political and legal issues are decided in Ukraine.

The Communist Party of Crimea believes that the supreme councils of Ukraine and Crimea have not yet exhausted the possibilities of the negotiating process on the basis of the Constitutions of Crimea and Ukraine.

Economic Revival Party Election Warning

954F1893B Simferopol KRYMSKAYA GAZETA in Russian 23 Mar 95 p 1

["Statement of the Political Council of the Economic Revival of Crimea Party"]

[FBIS Translated Text] On 17 March 1995 the Supreme Council of Ukraine annulled the Constitution of the Republic of Crimea. According to this act, the institution of the presidency on the peninsula is eliminated also.

These decisions did not come as a surprise to the majority of Crimeans and did not give rise to stormy protest meetings and demonstrations.

More than a year ago, following the election of the president and parliament of Crimea, the Economic Revival of Crimea Party warned of the negative consequences of the choice that Crimeans had made in favor of the "Russia" bloc and Yu. Meshkov.

Engrossed in their own hare-brained scheming, political intriguers have pulled Crimeans into the para-political games, which could end in the total collapse not only of the Crimean economy but of statehood also.

The forecast of the PEVK [Economic Revival of Ukraine Party] has now been justified: What the president and parliament of Crimea have, in fact, done with their own hands has merely been given legal form in the Supreme Council of Ukraine.

While respecting the large part of the population of Crimea whose views and aspirations are linked with the idea of Russia as its historical homeland, we declare that the situation into which the politicians in power have driven us is not to the benefit even of the mere idea of the rapprochement of Ukraine and Russia. On the contrary, it is clearly damaging the cause of the unity of the Slav peoples that has emerged as of late.

On the threshold of the elections to the local councils, we would like to remind Crimeans that these same political forces will endeavor to make political capital out of untenable promises and eye-catching slogans to once again fool the electorate with a striking bait.

We call on all Crimeans to learn the lessons from what has happened and to resist the provocations of the mass-meeting ranters.

We express confidence that there are in Crimea sufficient healthy forces that can ensure for it the preservation of statehood and the extrication of the republic's economy from crisis.

Uranium-235 Thieves Arrested in Kiev

MM2803114595 Moscow KOMSOMOLSKAYA PRAVDA in Russian 28 Mar 95 p 1

[Report from INFORM column: "Who Is Stealing Radiation?"]

[FBIS Translated Text] They were identified by chance. When composites of the suspected killers of Vlad Listyev appeared in the mass media people started ringing the police, including the Kiev police, to report details of people who resembled them. Following one such call, the police identified two men who, it later transpired, were citizens of Ukraine, former servicemen in the Russian Army.

When one of the suspects returned home with a heavy bag, he was arrested. And not for nothing: Inside the bag was a container with 2 kg of cylindrical granules of uranium-235 in it. Another two containers were discovered in the apartment.

The former servicemen confessed all. They had brought 6 kg of this strategic raw material out of Russia. They hoped to sell it outside the CIS, using middlemen. Incidentally, 1 kg of such uranium, which is used in the reactors of submarines and the reactors of atomic power stations like Chernobyl, is worth $250,000 in the world market.

This is already the second case of dealers in nuclear fuel being arrested in Kiev since the start of the year. The cases are alarming. Uranium-235 is a source of alpha, beta, and gamma radiation and is also, if the container seal is broken, a source of radioactive contamination of the environment. Moreover, in the opinion of specialists, it is impermissible to transport more than 1 kg of such a product in a single container. Given certain conditions—temperature, humidity, etc.—a spontaneous chain reaction can start up.

Economic Issues

Foreign Ministry Briefing on Economic Ties to UAE

WS2903075695 Lvov INFOBANK in English 0649 GMT 29 Mar 95

[From the "News Service" feature]

[FBIS Transcribed Text] On March 28, at a briefing at the Ministry of Foreign Affairs of Ukraine, it was reported that the foreign trade firm UKRINMASH is going to open a representative office in Dhubai, United Arab Emirates [UAE], in the near future. Right now, the following Ukrainian enterprises already have representative offices in the UAE: the Kremenchuk auto factory; the Black Sea Shipping Company; and a joint venture including the Khmelnytskyy transformer factory. Two more bilateral projects are being prepared: A construction rolling steel foundry in the UAE, whose output is 150,000 tonnes per year, and the creation of a joint venture between the local UAE airline and Air Kiev for organization of cargo air transportation from Europe to South Asia and East Africa.

Joint Aircraft Project With Russia; Firms Named

WS2803122495 Kiev UKRINFORM in English 0715 GMT 28 Mar 95

[From the "Business News Weekly" feature No. 12, 20-26 Mar 95]

[FBIS Transcribed Text] On March 21, an intergovernmental agreement was signed in Kiev during Russian First Vice Premier Oleg Soskovets's visit to Ukraine. The agreement provides for setting up the "International Aviation Engines" financial-industrial group [FIG] with its composition expected to be determined within three months.

International Aviation Engines' preliminary list of participants includes:
Ukraine:
Motor-Sich joint-stock society (Zaporizhzhya);
Kuzmin Dneprospetsstal Electrometallurgical Works joint-stock society (Zaporizhzhya);
Zarya Production Association (Mykolayiv);
Mashproekt Designer Bureau (Mykolayiv);
Designer Bureau "Progress" (Zaporizhzhya);
Progress Plant (Kharkiv).
Russia:
Baranov Enterprise for Engine Manufacture (Omsk);
Engineering Production Enterprise "Salut" (Moscow);
Production Association for Engine Manufacture joint-stock society (Ufa);
Production Association for Engine Manufacture joint-stock society (Kazan);
Engineering Enterprise "Krasny Oktyabr" joint-stock society (St. Petersburg);
Aggregate Enterprise "Gidravlika" joint-stock society (Ufa);
Rumyantsev Engineering Production Association joint-stock society (Moscow);
Production Association "Aviaexport" joint-stock society (Moscow);
Rossoshanskiy Technological Equipment Plant joint-stock society (Possosh, Voronezh Oblast);
Gribanovskiy Engineering Works joint-stock society (Gribanov, Voronezh Oblast);
Stupinskiy Metallurgical Factory joint-stock society (Stupino, Moscow Oblast);
Kulebyakskoye Metallurgical Production Association joint-stock society (Kulebyaki);
ROSPO insurance joint-stock society (Moscow);
Chernyshev Engineering Enterprise joint-stock society (Moscow);
Small-Business Enterprise "Aviakoprice" joint-stock society (Moscow);

and a number of Russian R&D enterprises.

In this way, Ukrainian and Russian aircraft engine manufacturers have demonstrated their conviction that the Ukrainian parliament's veto over Mr. Kuchma's decree on financial-industrial groups should not block the road to their cooperation.

The International Aviation Engines FIG proceeds from the concept of pooling its participants' financial resources in a bid to embark on serial production of aircraft, in accordance with two intergovernmental agreements signed by Ukraine and Russia, which involve joint manufacture of AN-70's and TU-334's.

To prop up the AN-70 project (the plane has been designed as a military cargo lifter) involves serial production of D-27 fan prop engines designed by the Zaporizhzhya-based "Progress" design office at the Motor Sich plant.

The other intergovernmental agreement involves serial production of TU-334 planes, which Russia has designed and which should be equipped with D-436-T1 engines, also designed by "Progress."

Work is reportedly underway to finalize yet another intergovernmental agreement between Ukraine and Russia on the joint manufacture of Russian-designed B-200 hydroaeroplanes (the Taganrog-headquartered Beriev design office) to be equipped with D-436-TP engines, according to Viktor Bayrak, "Progress" deputy chief designer.

"Progress" is presently engaged in talks with the Feodosia-based Vertolet (Helicopter) design office which involve development of chopper engines.

"Progress" is reportedly contemplating development of piston engines specifically designed for Antonov's newly established department for light aircraft.

Development and manufacture of aircraft engines is expected to require shipments of 850 items of materials, component parts and accessories, 750 of which will have to be supplied by Russian enterprises.

Draft on CIS Cooperation in Metallurgy Viewed

WS2803123095 Kiev UKRINFORM in English 0715 GMT 28 Mar 95

[From the "Business News Weekly" feature No. 12, 20-26 Mar 95]

[FBIS Transcribed Text] A draft intergovernmental agreement on transnational financial-industrial groups (FIG) in the metallurgical industry was reportedly drawn by the time Russian First Vice Premier Oleg Soskovets paid a visit to Kiev.

As the Ukrainian Industry Ministry's experts maintain, the agreement may be ready for signing by June, provided no unfavorable circumstances surface to mar Russo-Ukrainian relations.

The draft agreement's present tenor reportedly contains the following guidelines:

—in the process of setting up transnational FIG the Governments of Russia and Ukraine should determine and contribute to the FIGs' authorized capitals equal shares of national property (these may assume the form of stock parcels issued by joint-stock societies, which are FIG members, as well as products which the state normally procures, along with proprietorial rights, monetary funds and securities);

—a variant is possible involving possession of the controlling interest (the so-called gold stock) by the Russian Government's authorized agent, which, if such happens to be provided for by constituent documents, may be a board member and/or supervisory council member of the newly established financial-industrial group;

—all FIG members should participate in redemption of credits, which were granted to the involved enterprises for their technical upgrading, which participation should be proportional to amounts of consumed resources involved in these enterprises' production.

The draft agreement further specifies that, with a view of forming transnational FIG's the Ukrainian party should transform the involved state-owned enterprises to open-type joint-stock societies, in accordance with its national legislation. In the process of so doing, the Ukrainian side should cede parts of stocks issued by the thus transformed enterprises to each FIG's head enterprises on the trust basis.

Ukraine is also supposed to cede some of the stocks to Russia by way of extinguishing the Ukrainian FIG member-enterprises' indebtedness.

The Ukrainian Ministry of Industry reportedly opposes yet another provision of the draft agreement, which specifies that some part of Ukrainian stocks will be ceded to Russia by way of repaying Ukraine's national debt to Russia.

In turn, the Russian Federation is supposed to transfer the thus obtained stocks to each FIG's head enterprise to be managed on the above trust basis.

The parties to the future agreement are supposed to facilitate the process of FIG establishment via guarantees to attract investments, taxation/customs/excise franchises, preferential credits to pool FIGs' own financial resources, the right to stock cross-possession, the right to classify operations involving commodity, work, service flows among a FIG's members as operations among single corporate body's subunits, in which the latter group poses as a consolidated tax-payer.

In the process of FIG establishment both Russia and Ukraine will have to consider the factor of influence which will be exercised by the Euroasiatic Association of Coal and Metal [EACM] (set up on September 24, 1993). Its membership is composed of Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Uzbekistan, Ukraine, and Georgia. The Association is designed to solve customs, tariff, haulage, pricing, cooperative shipment and similar problems. Its Collegium and General Committee are respectively the association's advisory and executive bodies.

The association's influence may be felt at the very early stage of forming transnational FIG's. As a matter of fact, as early as on January 11, 1994, an EACM meeting considered a list of transnational companies to be set up, which, in certain cases, were supposed to incorporate other member-nations' enterprises' in addition to those of Russia and Ukraine.

The latter nation's most recent proposals provided for setting up the following FIGs.

1. Manganese ore extraction and manganese ferrous alloys manufacture:

Ukraine:
Ordzhonikidze mining-dressing factory (state-owned enterprise),
Marganets mining-dressing factory (stated-owned enterprise),
Nikopol ferrous alloys plant (open-type joint-stock society),
Zaporizhzhya ferrous alloys plant (state-owned enterprise),
Kryvorizhstal (in the process of privatization),
Dniprospetsstal (open-type joint-stock society),
Ukrhiproruda Institute (open-type joint-stock society)
Russia:
Kosogorsk metallurgical works joint-stock society,
Magnitogorsk metallurgical works joint-stock society,
Ferrosplav (Ferrous Alloys) firm,
Alapayevsk metallurgical works joint-stock society,
EACM has suggested the participation of Georgia and Armenia.

2. Titanium and titanium rolled metals manufacture:

Ukraine:
Irshanskyy mining-dressing factory (state-owned enterprise),
Donetsk chemical-metallurgical works (state-owned enterprise),
Titanium Institute (state-owned enterprise),
Zaporizhzhya titanium-manganese factory,
Verkhne-Saldynsk production association,
Russia:
Bereznikovskiy titanium-manganese factory,
Verkne-Dneprovsk mining-metallurgical factory.
Kazakhstan:
Ust-Kamenogorsk titanium-manganese factory,
Tajikistan:
Leninabad rare metals factory.

3. Manufacture of rolled metals and gas piping of great diameters with protective coatings:
Ukraine:
Ilyich metallurgical works (leased enterprise),
Azovstal (leased enterprise),
Khartsyzk piping works (in the process of privatization),
Novomoskovsk piping works (in the process of privatization).
Russia:
Novolipetsk metallurgical works joint-stock society,
Volzhsk piping works joint-stock society,
Vyksunsk metallurgical works joint-stock society,
Magnitogorsk metallurgical works joint-stock society,
Stoilensk mining-dressing factory joint-stock society,
Gazprom joint-stock society,
Nosta-Orsko-Khalilovsk metallurgical works joint-stock society,
Izhorskie Zavody (Izhorsk Plants) joint-stock society,
Chelyabinsk rolled piping works joint-stock society,
EACM has suggested the participation of Kazakhstan.

4. Oil piping manufacture:
Ukraine:
Nyzhnyodniprovskyy rolled piping works (in the process of privatization),
Nikopol-based Yuzhnotrubnyy plant (state-owned enterprise),
Novomoskovsk piping works (in the process of privatization).
Russia:
Chelyabinsk rolled piping works joint-stock society,
Seversk metallurgical works,
Vyksinsk metallurgical works joint-stock society,
Sinarsk piping works joint-stock society,
Pervouralsk piping works joint-stock society,
Taganrog metallurgical works joint-stock society,
Fuels and Power Ministry's enterprises,
Volzhskiy piping works joint-stock-society.
Azerbaijan:
Rolled Piping Works
Georgia:
Rustavi Metallurgical Works.
EACM has suggested the participation of Kazakhstan.

5. Aluminum and aluminum rolled metals manufacture:
Ukraine:
Mykolayiv alumina plant joint stock society.
Russia:
Krasnoyarsk aluminum plant joint-stock society,
Krasnoyarsk metallurgical works joint-stock society,
Novosibirsk electrode plant joint-stock society,
Krasnoyarskenergo joint-stock society,
Razrez Borodinskiy [Borodinsk seam] joint-stock society,
Achinsk alumina plant joint-stock society,
Achinsk oil reprocessing factory,
Metalex non-state-owned bank,
Medistal joint-stock insurance company,
Non-state-owned Pension Fund "Prosveshcheniye,"
State-owned enterprises "Krasnoyarsk Railroads,"
Krasnoyarsk Hydroelectric Plant joint-stock society, affiliate
Yniseiskaya Financial-Industrial Corporation (close-type joint-stock society).

EACM has suggested the participation of Kazakhstan.

Search for Alternative Fuel Suppliers Viewed

WS2803091595 Kiev KHRESHCHATYK in Ukrainian 17 Mar 95 p 2

[Article by Yuriy Yurov from the "Geneza" political science center: "Will the Alternative Oil Flow to Us?"]

[FBIS Translated Text] A question of looking for potential exporters of energy resources is not at all unnecessarily dramatic—the years of energy crises are long gone, the marketplace is full of offers, and finding someone who wants to sell oil or gas is no long a problem. The optimal exporters, however, should be selected from among all the potential ones. Russia and Turkmenistan will obviously belong to this group. The already existing system of relations, the mutual interest in the preservation of barter transactions, and primarily, those countries' dependence on transit across Ukrainian territory could make their raw materials somewhat cheaper. Hence, a visit by Turkmen President S. Niyazov to Kiev resulted in the signing of a joint communique, an agreement on supplies of Ukrainian commodities as payment for gas in 1995, protocols on restructuring Ukrainian debts amassed in 1993, and a timeframe for clearing Ukraine's total debt to Turkmenistan. In 1995, Ukraine's economy is to receive 20 billion cubic meters [CM] of natural gas at a price of $80 per 1,000 CM, which is $10 to $12 less than world prices. S. Niyazov also pointed out that his country is planning to purchase several AN-74 planes, and will participate in the construction of the Ukrainian AN-70 plane. According to him, Ukrainian experts could train Turkmen pilots and engineers—and all this could lower the price of Turkmen gas even more significantly. Finally, according to Niyazov, Ukraine can actively participate in the realization of a gas pipeline project, stipulating the construction of the Turkmenistan-Iran-Turkey pipeline, which is to link Turkmenistan to Europe via Bulgaria and Romania. In the future, Ukraine can become part of this pipeline. Therefore, there is no need to explain that Moscow's monopoly on supplying Ukraine with oil products makes Ukraine's independence somewhat illusory. Mutual interests of Ukraine and other CIS countries, that are exporters of energy resources, raise this issue above the economic level. Neither Kazakhstan nor Turkmenistan, and Azerbaijan to an even less extent, are interested in Moscow's control over their raw materials, so eagerly advocated by [Russian Prime Minister] Chernomyrdin's "oil" government.

Ukraine has solidified its image as the leading opponent of Russia's imperialistic encroachments within the CIS framework. In addition, Kiev is the biggest oil importer within the Commonwealth, and the guardian of the gates through which the pipelines to Europe will be laid. The mutual commodity circulation with the Muslim countries of the CIS—based on energy resources—will indubitably increase. Iran is very interested in establishing a relationship with Kiev. The two states' economies efficiently complement one another, and certain traditional relations have already been established. For Tehran, the partnership with Ukraine is a good chance to get out of its political isolation. For the same reason, Libya has demonstrated an interest in Ukraine. Relations with other Arab countries are also promising. Countries of the Persian Gulf and Maghreb are even more promising for Kiev than for Moscow, given the latter's anti-Muslim image.

For Ukraine—given the absence of its own tanker fleet and infrastructure, as well as the fact that it is surrounded by the flames of local conflicts (the Balkans, the Caucasus, Crimea, and others)—supplies of oil products are a genuine problem. The point is that the convenience of transportation routes that stretch across this or that country is one of the principal factors of their geopolitical importance. Incidentally, our country has an extraordinary location in the geographical center of Europe, at the crossroads of historic commercial routes.

The transporting of oil products via pipeline is the cheapest method and is quite developed in Ukraine. Namely, this is the way by which oil and gas are transported from Russia and Turkmenistan. The presence of strategic pipelines increases Kiev's geopolitical importance to its neighbors. We cannot rule out that Moscow will convince Kazakhstan and Azerbaijan to join the same pipeline network. However, all the pipelines between the CIS and Europe go across Russia too, and are better controlled there. In addition, the construction of a new route via Belarus is on the agenda, which will slightly weaken Kiev's position as a gateway to Europe. After all, there is another possible route for transporting energy resources from the Near East and Central Asia to Europe—via Iran, Turkey, Romania, and Bulgaria. This route is not the best for Ukraine, yet it does not leave out Ukraine—Ukrainian enterprises are already engaged in building a part of the pipeline network, and a separate branch is supposed to be laid in Ukraine, too.

Of course, the pipeline-tanker method is the most promising one. The Baku-Poti-Romania-Ukraine route is currently in operation, and this Georgian route will be developed further. During the state visit by a Ukrainian delegation led by President L. Kuchma to the Republic of Georgia, it was stated that Ukraine is particularly interested in Georgia, given the plan to build the Transcaucasian oil pipeline on the latter's territory. The two sides have decided to create a joint working group which is supposed to draw up a specific plan for shipping oil to the Georgian ports of Poti and Batumi, from where oil will be transported to Ukraine. The Ukrainian experts are constructing several oil pipelines in Turkey. According to the "project of the century," Azerbaijani oil is supposed to go via Turkish territory (as well as the territories of Iran or Georgia), and will be transported to its terminals on the Black and Mediterranean Seas. The Black Sea route will be oriented toward Odessa, and through it—toward Europe. This route might be used for transporting oil from Central Asia and the Persian Gulf. The route for shipping energy resources to Europe may become much shorter than the present one. Russia, however, has its own point of view on the problem: Russia has persistently suggested a route from the CIS republics to Novorossiysk and Tuapse, and from there to Europe via the [Bosporus and Dardanelles] straits. Turkey opposes this plan more than anybody else, and is going to essentially limit the movement of tankers through the Bosporus and Dardanelles, attributing this to environmental concerns.

If the position of Turkey is taken into account, the only way to transport oil will be by tanker. This version however, may be used for the import of oil products from North Africa (Libya, Algeria, Egypt) and possibly from even more distant countries. Of course, the share of oil transported this way will never be essential. Therefore, taking into account an enhanced mutual interest, Ukraine will receive oil from the Maghreb as payment for the construction of pipelines, railroads, and so on.

Because of the instability of this enormous region—stretching from the eastern Alps to the Aral Sea—the future of the "project of the century" does not appear to be cloudless. Objectively, Russia is the only opponent to the project. For a number of reasons, however, its will can prevail over the aggregate will of both the Islamic exporters and Western importers. The most vivid and dramatic example is the Chechen crisis. The "peacemaking" in Chechnya can hardly persuade serious businessmen to choose the Russian route of exporting Azerbaijani oil (though certain people in Russia were expecting this). Additionally, the military actions and the blockade of Azerbaijan's northern border, enhance the risk of the project as such.

The Karabakh conflict—the development of which at this point greatly depends on Moscow—greatly impedes the implementation of the project. The war in Armenia not only makes the construction of a pipeline on its territory impossible, but also increases the risk of investing in Azerbaijan.

The Russian military presence in Georgia complicates the transport of oil across the territory of this Republic. The internal opposition and self-proclaimed separatist groupings, that, from time to time, make their existence known, cool off those who rely too heavily on the Georgian route. A powerful and dangerous opposition exists in Azerbaijan. Entirely controlled by Moscow, it can also derail the project.

Finally, outside the CIS, Russia traditionally has certain possibilities to influence the situation surrounding the project. Moscow is the only capital in the world that hosts a mission of Turkish Kurds, who are quite a painful and destabilizing factor in Turkey. As we know, the Kurdish minority inhabits the western [as published] part of Turkey which is the most engaged in the project. Russian diplomats will undoubtedly do everything to exacerbate the current bitter contradictions between Iran and other participants in the "project of the century," particularly the United States. Apart from this, the "special" relations with Baghdad give Russia a theoretical opportunity to make use of this destabilizing factor, too.

Russia's opposition to international oil projects objectively contains a potential to create unity. The states interested in protecting their mutual economic and geopolitical interests may make steps to meet each other halfway. The process of creating a rectangular of Ukraine's strategic interests in the region which comprises Azerbaijan, Iran, Turkey, and Georgia, is obvious. Despite all the contradictions, certain progress is noticeable among the four states—before the collapse of the USSR, it would be very difficult to even imagine negotiations on a mutual project between Iran and Turkey. Ukraine as a great European country should have its own sphere of influence in the East, all the more so since, in this case, it does not collide with the strategic interests of Western partners.

New Organization Protects Laborers' Rights

954F1892A Simferopol KRYMSKAYA PRAVDA in Russian 23 Mar 95 p 1

[Unattributed report: "Public Organization Registered in Crimea"]

[FBIS Translated Text] On 17 March 1995 the Ministry of Justice of the Republic of Crimea registered the Union of Workers, Peasants, and Working Intelligentsia of Crimea.

The main purpose of the activity of the union is, in conjunction with trade unions, to provide effective protection of the rights and interests of workers at enterprises, on farms, and in state structures.

Belarus

Possible Sale of Tanks to Iran, China, Tajikistan

WS2703133195 Minsk BELAPAN in English 1251 GMT 27 Mar 95

[FBIS Transcribed Text] Belarus intends to sell about 300 T-80 tanks that were left after the country suspended the reduction of military equipment under the CFE [Conventional Forces in Europe] Treaty. Among the countries with which Belarus is holding negotiations for the export of the tanks are Iran, China, and Tajikistan.

Trade Discussed With Moldovan Government Delegation

WS2903090795 Minsk BELAPAN in English 1500 GMT 28 Mar 95

[FBIS Transcribed Text] A government delegation of the Republic of Moldova, headed by the First Vice Premier Ivan Gutsu is staying in Minsk on a three-day visit. In the evening on March 27 the delegation was received by the Prime Minister Mikhail Chyhir. Besides him, the First Deputy Prime Minister Mikhail Myasnikovich, the Minister for Foreign Economic Relations Mikhail Marynich, the Minister of Industry Uladzimir Kurankow and some other high-ranking officials took part in the talks. According to information received the talks were dedicated to the point of mutual reduction of excise rates with a view to increase commodity turnover, as well as some other problems concerning trade and economic relations between Belarus and Moldova. On March 28 the Moldovan delegation participated in the ceremony of opening a national exhibition of the Republic of Moldova, which is taking place in the Minsk Exhibition Centre. At the exhibition products of agriculture, food industry, machine-building, light and electronic industries are displayed. Within the framework of the exhibition a seminar on the theme "Business in Moldova and Business Contacts" will take place.

Hryb on Reform, Polish-Baltic NATO Aspirations

WS2803115595 Warsaw RZECZPOSPOLITA in Polish 27 Mar 95 p 29

[Interview with Supreme Soviet Chairman Myacheslaw Hryb by Piotr Koscinski; place and date not given: "We Do Not Understand Why Poland Wants To Join NATO"]

[FBIS Translated Excerpt] [passage omitted] [Koscinski] **President Alyaksandr Lukashenka is fighting with the press by introducing censorship and dismissing newspaper editors in chief. What do you think of this?**

[Hryb] First of all, I would like to stress that it is very difficult to discard the burden of 70 years of a totalitarian regime. I myself was born and raised in that system, and so was the president. You cannot throw off your clothes, plunge into the water, get out on the other side, put new clothes on, and become a new person, with entirely new views.

On the other hand, I think that the press does not always behave properly, and the criticisms are widely exaggerated. We must not forget that the president was chosen in democratic elections. Whether or not we like it, this man was elected by the citizens. He is the first figure in the state. Besides, people react differently to criticism. I do not know what I would do in his place. [passage omitted]

[Koscinski] **It is said that the difference between western Belarus, where the independence-oriented and anticommunist Belarusian National Front is very strong, and eastern Belarus, where pro-Russian tendencies are powerful, is becoming more visible. Does this not pose a danger to the Belarusian state?**

[Hryb] It is true there is a difference between the eastern and western parts of our country. This is due to historical reasons—the western part belonged to Poland until 1939, the eastern part—to the USSR since 1917. It so happened in the course of our history that the western part was always for Belarusian independence, while the east feels closer to the Russian Federation.

I do wish to stress, however, that if we were capable of improving the standard of living in Belarus soon—and it is far worse now than it was before perestroika—no one would even ask about the sovereignty of our country. Of course, I am for cooperation between Belarus and both Russia and Poland. We should remove borders, not create new ones. [passage omitted]

[Koscinski] **What about the joint agreement on the protection of our borders? Will Russian border guards not appear on the Polish border?**

[Hryb] No. The agreement states very clearly that the Belarusian borders will be protected by Belarusian Border Troops. Russia will help us technically and financially. Only Belarusian citizens may work for our Border Guard Troops, our Ministry of Defense, and our Ministry of Internal Affairs.

[Koscinski] **Does Belarus uphold its criticism of the possible expansion of NATO?**

[Hryb] I think every state has the right to enter any international structure it may choose. Yet, when Belarus' closest neighbor becomes a NATO member, the western border of our country will become a new political and economic frontier. Why expand NATO when the Warsaw Pact no longer exists? Is Belarus, so much weaker than Poland, any threat? We were the first country in the world to give up our nuclear weapons, we do not point to any enemy in our defense doctrine. We have not ratified the Tashkent agreement (on collective CIS defense—ed.) to this day. We thus find the efforts of Poland and the Baltic states to enter NATO difficult to understand.

Two Lukashenka-Proposed Questions Approved for Referendum

WS2803085095 Minsk Radio Minsk Network in Belarusian 0300 GMT 28 Mar 95

[FBIS Translated Text] Supreme Soviet deputies want to include in a nationwide referendum only two out of four questions proposed by Belarusian President Alyaksandr Lukashenka, Dzmitryy Bulashow, chairman of the Parliamentary Commission for Legislation, stated at a news conference held in Minsk. According to him, the voters should provide answers to the questions concerning new state symbols and the state leader's actions aimed at integration with Russia. In the opinion of parliamentarians, the remaining two questions—those about granting the Russian language official status, and giving the president the right to dissolve the Supreme Soviet—cannot be put to a referendum, since this would require that the Belarusian Constitution be amended.

Lukashenka Not to Hold Referendum on Prolonging Presidency

LD2803162295 Moscow INTERFAX in English 1314 GMT 28 Mar 95

[FBIS Transcribed Text] Minsk, Mar 28 (Interfax-West)—The head of the Belarusian presidential press service Vladimir Zametalin has denied rumors about the intentions of Alyaksandr Lukashenka to hold a referendum on prolonging his term till the year 2000 following the example of the presidents of Uzbekistan and Kazakhstan, Islam Karimov and Nursultan Nazarbayev.

Zametalin said that as the president was elected in 1994 for five years and he would remain in office till 1999.

"Unlike parliament, which unlawfully prolonged its term by three months when it set the date of elections for May 14, the president honors the constitution and does not intend to violate it," the press secretary said.

According to him, the willingness of deputies to prolong their powers indefinitely is regarded by the public as a factor discrediting even the future parliament, and the president does not support moves contradicting the constitution.

Zametalin stressed: "The political situation in Belarus cannot be compared to Uzbekistan or Kazakhstan. In the Central Asian countries the terms of the heads of state are expiring and there is sense in holding referendums."

Lukashenka is determined to hold a referendum on four other matters: the approval of new national symbols, the efforts of the president to integrate Belarus and Russia, the official status of the Russian language and the right of the president to dissolve parliament, Zametalin said.

In the opinion of the press secretary such a referendum would consolidate the nation and promote the natural link between the actual policies of the government and the opinion of the majority. "This road is a foundation for building democracy," Zametalin is convinced.

Constitutional Court Will Rule on Presidential Actions

LD2803121395 Minsk Radio Minsk Network in Belarusian 0300 GMT 28 Mar 95

[FBIS Translated Text] Constitutional Court Chairman Valeryy Tsikhinya announced that immediately after the law on the president comes into force the Constitutional Court will resume proceedings to establish the legality of the presidential system of rule. The inquiry was initiated by Supreme Soviet Chairman Mechyslaw Hryb. The parliamentary speaker, we remind you, considers that the presidential structure is contrary to the Constitution.

In the first half of April the Constitutional Court will return to consideration of the case of the blank spaces [censorship of the newspapers by the president's office]. This case was instituted by deputies. Valeryy Tsikhinya explained that the delay in considering this case was connected with the fact that some experts presented the Constitutional Court with their conclusions.

President Intends To 'Freeze' Wages, Price Hikes

WS2803110795 Minsk Radio Minsk Network in Belarusian 1000 GMT 28 Mar 95

[FBIS Translated Text] During an interview with the Television News Agency on the occasion of Constitution Day, Belarusian President Alyaksandr Lukashenka announced his intention to issue an edict freezing both wages and increases in prices. In the opinion of the state leader, since the dollar exchange rate has not changed for two months, producers currently have no objective reasons for increasing prices for their products.

Government Intends To Levy New Taxes

WS2903091095 Minsk Radio Minsk Network in Belarusian 0300 GMT 29 Mar 95

[FBIS Translated Text] Budget commitments, recently presented by the government and adopted by the parliament, are seriously endangered. According to the Cabinet of Ministers' data, in March the Belarusian treasury will fall short of a substantial amount of money, and the required expenditures may exceed revenues. While analyzing the budget commitments in February, the government expected the budget revenues to be from 20 to 35 percent higher than the actual revenues. This is primarily connected with increases in the minimum wage and the first grade wage. Moreover, according to experts' estimates, the abolishment of VAT on exports will cause budgetary losses amounting to 1.3 trillion rubles. This is why the government is going to request that the Supreme Soviet reexamine this issue.

It is possible that a transit tax on auto transportation will become one of the new sources of budget revenues. The Cabinet of Ministers' proposal in this regard is already being examined by the president, and the issue of imposing taxes on transit of oil and air shipments is currently being studied. In the opinion of the prime minister, foreign experts' assistance would be helpful in this regard.

Edict on Early-Warning System To Monitor Radiation

WS2903110095 Minsk Radio Minsk Network in Belarusian 0700 GMT 29 Mar 95

[FBIS Translated Text] Belarusian President Alyaksandr Lukashenka has issued an edict on establishing an early-warning system to monitor radiation in areas adjacent to operating nuclear power plants. [Word indistinct] of the system has been developed by experts from EC commissions and the Republic of Belarus. The Belarusian Cabinet of Ministers has been commissioned to draft and present to the president a legislative act on exempting from customs duties devices and equipment delivered by foreign companies at the expense of EC commissions in the volume envisioned for the first stage of introducing the early-warning system to monitor radiation in areas adjacent to operating nuclear power plants.

Moldova

Lithuanian President Brazauskas Arrives on Visit

AU2803154795 Chisinau INFOTAG in English 1930 GMT 27 Mar 95

[FBIS Transcribed Text] Chisinau INFOTAG, 27/3/1995—The state delegation of the Republic of Lithuania headed by President Algirdas Brazauskas arrived in Moldova for an official visit Monday morning [27 March].

At the same day, a ceremony of signing bilateral documents took place in Chisinau. The sides signed the umbrella Treaty on Friendship and Cooperation, the Treaty on Trade and Economic Cooperation for 1995, the Treaty on Cooperation Between Foreign Ministries and on Consular Relationship, which envisages opening consular sections in Chisinau and Vilnius.

The heads of state said at today's press conference that the documents will allow to raise the cooperation between the two nations to a new qualitative level, to increase the volume of trade operations, which declined 3-fold since the break-up of the USSR.

Snegur and Brazauskas pointed out that the Treaty on Friendship and Cooperation provides for a solid legislative framework and ensures broad possibilities for developing all-round cooperation. Among internal problems faced by the two states, the presidents pointed out conducting of market reforms, ethnic minorities problems, establishment of relations with the opposition. Snegur emphasized also the specific problem of separatism existing in Moldova.

"For me, it is very important to establish contacts with the opposition, regardless of its political colouring. So far, they reject any work done by us, and all parties declared they are in opposition to the authorities. I hereby state with full responsibility that the Moldovan opposition is non-constructive," Snegur emphasized.

Answering Lithuanian journalists' question concerning the Moldova's place in Europe, Snegur referred to the results of the 1994 opinion poll, which indicated that Moldovans wish to build an independent state, in spite of the desperate attempts of the unionists and centrists to, respectively, get united with Romania and to restore the Soviet Union.

Today the Lithuanian delegation met with the Parliament Chairman Petru Lucinschi, Prime Minister Andrei Sangheli, and Moldovan governmental officials.

Lithuania's Brazauskas Departs

AU2903114495 Chisinau INFOTAG in English 2011 GMT 28 Mar 95

[FBIS Transcribed Text] Chisinau INFOTAG, 28/3/1995—The official Lithuanian delegation headed by President Algirdas Brazauskas concluded its visit to Moldova today. Tuesday, 28 March, morning the guests left for Kiev for a one-day visit to the Ukraine.

At the Chisinau airport Presidents Brazauskas and Snegur made statements for the media, in which they expressed satisfaction about the results of the visit. They pointed out that the sides had exchanged views over a wide spectrum of issues, and the documents signed in Chisinau would allow to establish efficient bilateral cooperation in all fields.

The Moldovan president emphasized that they also exchanged opinions concerning problems of European security, participation in NATO's Partnership for Peace program, democratization, and market reform.

Foreign Minister Outlines Country's Policies

MM2803140595 Moscow ROSSIYSKAYA GAZETA in Russian 25 Mar 95 First Edition

[Interview with Foreign Minister Mikhail Popov by unidentified correspondent; place and date not given: "Moldovan Foreign Minister Mikhail Popov: We Are an Open Country, and that Says it All. The Moldovan Parliament Recently Adopted a Document Defining the Directions of the Republic's Foreign Policy"—from the "Economic Union" section, p 6]

[FBIS Translated Text] [ROSSIYSKAYA GAZETA] Mikhail Ivanovich, what do you consider to be the fundamental elements of Moldova's foreign policy activity?

[Popov] The most important element can be formulated in one sentence: Moldova is a country which is open for all. It is recognized by 140 states. And now, in developing bilateral and multilateral relations, we are trying to imbue them with a specific content. In the past four years treaties have been signed with Russia, Ukraine, Bulgaria, Poland, Turkey, and France. Next in line are Hungary and the Baltic countries.

A treaty with Romania is in the stage of elaboration. This has its own subtleties. Both Bucharest and we are striving to elaborate a document which is mutually satisfactory. For if each side aspires only toward its own advantage, both sides will lose out. It is necessary to be able to come to terms with history and draw lessons from it. To gear ourselves toward the future, and not the past. Only then will the opportunity to vitalize relations arise. Right now the Foreign Ministries are working on the treaty, but it is a painful birth.

Economic interests also in many ways determine the line of conduct. Moldova is situated very advantageously on the geopolitical plan. The roads leading from East to West and back again intersect here. In addition, we have an extremely progressive—even for Europe—law on investments, our reforms are progressing normally, and despite the Dniester Region and Gagauz factors, political stability is being established. For just over two years we have been inhabiting a peaceful area, and this is very important.

[ROSSIYSKAYA GAZETA] The most heated debates have arisen in parliament over the idea of stepping up the republic's activity within NATO, explained by the need to safeguard national security. Where does Moldova see the potential threat to itself?

[Popov] For me the range of opinions in parliament is nothing but pleasing. Unanimity in a democratic society is impossible, and parliament itself is represented by various political forces.

As far as NATO is concerned, here there is simply a reluctance to understand the essence of the question. We have nowhere stated that Moldova intends to integrate with NATO. Cooperation and integration are two different things. The "Partnership for Peace" initiative gives European countries—and other countries besides—an opportunity to get nearer to some kind of center where defense policy is formed. And we see participation in this program—"Partnership for Peace," which has been signed by 24 countries, including Russia and Ukraine—as another opportunity to be in Europe with everyone else. How the individual plan, which will define the level of cooperation for each country, will be represented is another matter.

As for national security, there is no country, big or small, poor or rich, which does not make this its core principle. And it is not even a question of the external factor of aggression—we do not personify the threat—but the conditions for the consolidation of statehood and economic prosperity.

[ROSSIYSKAYA GAZETA] And how are we to understand the report that President Snegur has signed some kind of agreement in the Pentagon with U.S. Secretary of Defense W. Perry? After all, at the same time Moldova is actively declaring its unwillingness to participate in any military blocs within the CIS.

[Popov] You are talking about a document consisting of only six or seven sentences, and which only denotes how we see our relations in future in the sphere of defense. There is nothing seditious in such treaties; they do not impact on the interests of third countries. We are cooperating with Russia and Ukraine in the military sphere, although there is no question of joining the system of collective security of the CIS countries: Every Moldovan politician has a mandate entrusted to him by parliament, which ratified the agreement on the CIS precisely on those terms.

[ROSSIYSKAYA GAZETA] Mikhail Ivanovich, on reading your foreign policy program, one gets the impression that Moldova would like to please everybody. Is this a considered position, or simply an attempt to conceal your true intentions?

[Popov] If the document had been composed with a view to pleasing everyone, everyone would have voted for it. On the other hand, it absorbed various points of view. But we did not retreat from positions of principle. It was impossible, for instance, to renounce cooperation with NATO or with anyone else to satisfy various demands. Just as today we cannot renounce collaboration with the CIS—there is simply no alternative.

[ROSSIYSKAYA GAZETA] Obviously, Moldova could be the first state in the CIS to be received into the Council of Europe. How is this favoritism to be explained?

[Popov] There is nothing supernatural about it: In order to become a member of the Council of Europe, it is necessary to fulfill certain conditions. These are well known: free elections, a new Constitution, signing up to international conventions, a level of guarantees for human rights, including those of ethnic minorities. And so forth. Moldova has fulfilled all these conditions.

As for Tiraspol, if the Dniester Region became an obstacle, this would mean de facto support for separation on the Council of Europe's part. Besides, we are obviously making every effort to overcome this problem. The negotiating process is proceeding. It is impossible to force its pace, because it is necessary to resolve economic and political questions simultaneously. People can see Chisinau's political will. Besides, the Russian president never proceeds from any premise except the recognition of the territorial integrity of our republic. If you refer to the argument that the Dniester Region is the only thread linking the Russians who live there with their motherland, that is incorrect, since the majority of them live on the right bank. Some 75 percent of Russians live there, and relations with Russia are a priority for us.

[ROSSIYSKAYA GAZETA] But only quite recently Russians were branded on all Chisinau's crossroads, accused of all mortal sins, including at official level. Nowadays the political climate has changed, but the feeling that a cloud of doubt hovers in the air remains.

[Popov] Let me answer your question with another: Is there any country in the world which does not want to have normal relations with Russia? We are no exception. And those who want to move them into the background are either blinkered, or really underestimate our common past and present. It is also necessary to proceed on the basis that 13 percent of the Moldovan population are Russians, and there are also mixed marriages and people who consider the Russian language to be their own. This factor should not only be appreciated, but actually used to positive ends. Naturally, we see our relations as the partnership of two independent states. A whole series of highly important interstate agreements have already been signed, and we are seeking to vitalize this process. But we will accept neither political nor economic diktat. We take our lead from democratic Russia. Those who expect Moldova to agree to the role of a satellite are deluding themselves. Fortunately, relations with official Russia give no grounds for such doubts.

[ROSSIYSKAYA GAZETA] And does the talk of creating a NATO military base have any foundation?

[Popov] That is no more than rumor.

[ROSSIYSKAYA GAZETA] Is it true that you were trained as a diplomat more in Moscow than in Chisinau? Does that experience help or hinder you?

[Popov] Well, you know, I was trained as a diplomat more in my own family. I have a very well-balanced family on both my mother's and my father's side. For me force or the threat of force are completely unacceptable. Perhaps this is actually sometimes my weak spot. And I was born under the sign of Libra. I graduated from the diplomatic academy in Moscow, which is a unique establishment in many ways. I worked in the Union Ministry of Foreign Affairs and briefly in the Russian Ministry of Foreign Affairs. And I believe that these were among the best years of my life. I do not regret the experience I gained there; it is nothing but of benefit to me.

Russian Deputies Request 'Special Status' for Dniester

AU2903084295 Chisinau BASAPRESS in English 1927 GMT 27 Mar 95

[FBIS Transcribed Text] Tiraspol BASAPRESS, 27/3/1995—The Russian State Duma deputies who participated as observers in the Dniester referendum on the 14th Army withdrawal held a press conference in Tiraspol today. The six deputies representing the Liberal-Democratic, Communist, and Agrarian Parties admitted that they are on an unofficial mission to Dniester; they were not authorized by the Russian State Duma. Earlier, the Moldovan Foreign Ministry protested to the Russian leadership against the Russian parliamentarians' visit to Tiraspol. The Russian observers appraised the referendum on 14th Army withdrawal agreement. They did not rule out the possibility that Russian troops might be withdrawn without Russian State Duma's assent. The Russian deputies said that it is absolutely necessary that Russian troops receive the status of a military base, while the troops should be withdrawn on condition that Dniester receive a special status. They believe that Dniester is a state already in existence, which needs international recognition. This, in their opinion, will be achieved by the help of the Russian State Duma. The Russian deputies expressed their negative attitude toward the 14th Army commander, Gen. Aleksandr Lebed, adding that his popularity was artificially made by media and that as a soldier Lebed should not get involved in politics, but be rather concerned only with military matters. According to some sources, Gen. Lebed refuses to meet the group of deputies which comprises Vadim Bolshakov and Vitaliy Zhuravlev of the Liberal Democratic Party; Pavel Burdukov of the Agrarians; Oleg Mironov and Valentin Nikitin of the Communist Party; and Adrian Puzanovskiy, independent deputy representative of the Socialist Party.

Foreign Ministry Protests Russian Interference in Elections

LD2803163295 Moscow INTERFAX in English 1314 GMT 28 Mar 95

[FBIS Transcribed Text] CHISINAU, Mar 28 (Interfax)—Moldova's Foreign Ministry has protested at the Russian State Duma (Russian lower house of parliament) deputies' participation as observers in last Sunday's elections and a referendum on the fate of the 14th Army in Transdniester (the self-proclaimed republic on Moldova's territory).

A statement released by the foreign office in Chisinau Tuesday regard the Russian lawmakers' actions as "an encroachment on the state sovereignty and integrity of Moldova, a violation of the principles and norms of international law and of the memorandum on peace and stability in CIS, signed in Almaty on February 10th, 1995".

The document notes that the referendum "clashes with the provisions of the Russia-Moldova accords on a peace settlement in eastern Moldova and on the legal status, the procedure and the terms of pulling out the Russian armed units, temporarily based in Moldova."

The statement stresses that the referendum results "do not have and cannot have any juridical effect." Moldova's foreign department voiced hope that the Russian legislators' participation in the Transdniester elections "will be duly assessed by Russia's leadership."

Dniester Leader, Russian Commander Cited on Referendum

LD2803120095 Moscow NTV in Russian 1500 GMT 27 Mar 95

[FBIS Translated Text] The results of Sunday's referendum in the Dniester region in eastern Moldova on the attitude toward the withdrawal from the region of Russia's 14th Army were published today; 91 percent of participants in the referendum opposed the withdrawal of the army. The Dniester leaders say the Russian military presence needs to be retained as long as problems in relations between the Dniester region and the central Moldovan Government remain unresolved. A report from Tiraspol:

[Correspondent Sergey Barabanov] It is difficult to predict in what way the authorities are planning to implement the people's will. Perhaps, they are planning to use the experience, recently shown to good advantage by Tiraspol women residents, of sitting on the railroad tracks, although much weightier strategies are thought to be in hand. One of these is the arrival for the referendum of four deputies from the Russian Duma whose names and party affiliations are being kept secret from journalists.

[Smirnov] But I think that both the Russian leadership—and, of course the army leadership—have enough sense to understand that such attempts are always impossible without the agreement of the Dniester people. The referendum is a binding legislative act which the government, including the president, must implement.

[Barabanov] The army, which in its time covered the southwestern borders of the Soviet Union, the major part of which has been nationalized by Ukraine and Moldova, consists practically of a rifle unit and military depots. And from the command's point of view the prospects for withdrawal look distant.

[Lebed] I do not think that is planned nor will it be. Er, the question of the withdrawal of the 14th Army does not have popular support, and if you fuss about this question, you will get a negative reaction and put your foot right in it. But everyone wants to have a good life and, as there is no ratification procedure in the [Moldovan] state itself, this agreement has not come into force.

[Barabanov] As for those matters under discussion, the 14th Army is preparing for a parade to mark the 50th anniversary of victory and is keeping its military hardware in working condition.

Snegur: Dniester Elections, Referendum 'Illegal'

AU2803143595 Chisinau INFOTAG in English 1930 GMT 27 Mar 95

[FBIS Transcribed Text] Chisinau INFOTAG, 27/3/1995—Moldovan President Mircea Snegur has stated that the local elections and referendum held in Dniester are illegal and invalid.

At today's press conference in Chisinau, the head of state expressed bewilderment about the attitude of the Russian Federation. He said, on the eve of the referendum he sent a cable to President Boris Yeltsin, and Parliament Chairman Petru Lucinschi sent a letter to the chairperson of the Russian State Duma with a request to formulate their attitude to the referendum, and to prevent the arrival of Russian deputies as observers at the illegal undertakings in Tiraspol.

"I fail to comprehend the Russian position. After Moscow has signed the Army Withdrawal Agreement and five Protocols to it, it undertakes nothing to implement the documents. Before, we only guessed about such an attitude, but now it has become quite evident," the president emphasized.

In his opinion, there is absolutely no principle difference in which factions have sent their deputies to Tiraspol. The main point is that these gentlemen represented the Russian State Duma. Mircea Snegur told journalists that the Moldovan Foreign Ministry will soon formulate official point of view on the issue.

'Neo-Communist Bloc' Leads in Dniester Elections

AU2903084095 Chisinau BASAPRESS in English 1927 GMT 27 Mar 95

[FBIS Transcribed Text] Tiraspol BASAPRESS, 27/3/1995—67.9 percent of the Dniester region inhabitants participated in the Dniester local elections, according to preliminary results, released to BASA by the Tiraspol Central Electoral Commission. 99 percent of the participants did not favor in the referendum held together with the elections the withdrawal of 14th Army from Dniester. In the opinion poll held among the Tighina (Bender) inhabitants, 82.9 percent did not favor the presence in the city of the Moldovan law- enforcement institutions. The second round of the elections will take place in two weeks, on 7 April in almost all the constituencies, especially in the urban ones, in which none of the deputies accumulated enough votes. In six constituencies the elections will be resumed after two weeks because none of the deputies succeeded in passing to the second round of the elections. The majority of deputies who accumulated the necessary number of votes and were elected to the local soviets belong to the neo-communist bloc of patriotic forces.

Kazakhstan

Prime Minister Begins Visit to Canada

LD2803102895 Almaty Kazakh Television First Channel Network in Russian 0600 GMT 28 Mar 95

[FBIS Translated Text] Yesterday [27 March] Kazakh Prime Minister Akezhan Qazhygeldin ended his visit to the United States and began a four-day official visit to Canada.

The U.S. Defense Secretary is expected to visit Kazakhstan in April.

U.S. Inspection of Heavy Bomber Base 'Successful'

MM2803130395 Moscow KRASNAYA ZVEZDA in Russian 28 Mar 95 p 1

[Report by Anatoliy Ladin under the "KRASNAYA ZVEZDA and News Agency Correspondents Report" rubric: "Kazakhstan: START I Inspection"]

[FBIS Translated Text] Almaty—The Kazakhstani Ministry of Defense has reported that from 21 through 23 March the United States conducted the first inspection on the territory of Kazakhstan in accordance with the Treaty Between the USSR and the United States on the Reduction and Limitation of Strategic Offensive Arms (START I). The subject of the inspection was a heavy bomber airbase which has been eliminated in the Semipalatinsk region.

Colonel D.Zh. Fowler [name as transliterated] of the U.S. Air Force, leader of the inspection group, and Dr. I.E. Milton, member of this group and deputy chief of the On-Site Inspection Agency, described as successful the work that they carried out.

Kazakh-American Oil Venture Moves Ahead

LD2903113695 Almaty Kazakh Television First Channel Network in Russian 0600 GMT 29 Mar 95

[FBIS Translated Text] The report is about oil deposits exploited by the Arman Kazakh-American joint venture. As you know, the Mangistau oil and gas company and the state holding company Zharkyn have established a joint venture with an American company, Orifenergy.

Two years ago, they signed a contract to start the preparatory work for oil extraction. All the preparatory work has been already completed. It is planned that some eight million tonnes of oil will be extracted by the end of this year.

The senior manager of the oil-fields, an American specialist, James Schneider, speaks about the prospects for this joint venture:

[Begin Schneider recording] Our work here is currently in very early stages of testing wells, but we are optimistic at this point. And if we continue to have our optimism grow then we expect to be here a long time and drill many more wells. [end recording]

Taryshagan Ecologically 'Unsatisfactory'

95WN0125A Almaty SOVETY KAZAKHSTAN in Russian 22 Mar 95 p 3

[Article by Nina Baburtko, staff correspondent: "The Saryshagan Syndrome or a City on a Powder Keg"]

[FBIS Translated Text] Priozersk, Zhezkazgan Oblast—[Begin box] The Saryshagan military proving ground has obviously coped successfully with the tasks set for it—the Order of Lenin and the Red Star are evidence of that. The other side of the coin is just now beginning to reveal itself to "civilians," as the local population call themselves in the city of Priozersk, where the military unit attached to the proving ground is quartered. At the last special session of the Priozersk city maslihat, the ecological situation was described as unsatisfactory. [End box]

The strongest expressions, as they say, are off the record and have been preserved on the journalist's notepad: "We are sitting on a powder keg." "Like experimental rabbits." "We are being killed off for no reason"... But it is this violent expression of emotion, which is not included in the session's decree, that expresses most precisely the character of the tension created by the military and maintained by public opinion, which I would define as the Saryshagan syndrome.

An area of 49,200 square kilometers has been set aside in Zhezkazgan Oblast for the Saryshagan proving ground, twice as much as was allotted to the Baykonur space center. Half of the oblast territory was "covered" by their unfavorable impact, in addition to the regular ecological strain. As a result the average life span here is 58 years, and in certain regions the human life does not even last a half a century—it lasts 46-49 years. A gloomy picture. Therefore, if the child's petition to the president ended with a request to consider the question of eliminating the dangerous facilities that threaten his living existence, representatives of oblast branches of certain parties in their appeal to parliament have already demanded that they be closed down. Finally, the oblast administration and then the session of the oblast council officially appealed to the Supreme Council and the government concerning preventive measures, "in order to avoid social tension": to give the oblast the status of an ecological disaster zone and with respect to the proving ground—to prohibit further operation of it and to demand from the military unconditional implementation of restorative and compensatory measures.

But, obviously, one is not very frightened about the rise in social tension regarding something that seems trivial against the background of other things. The answer received by the oblast council from the Ministry of Ecology and Bioresources was depressing. In the capital they considered it necessary to postpone a solution to the problem of including all of Zhezkazgan Oblast in an ecological disaster zone until the completion of work on ecological regionalizing of the republic territory, since only these materials will make it possible to conduct an objective analysis of the ecological-hygienic situation in all regions of the state.

The proving ground "touches" the territory of four oblasts. A target is shot down in the sky over Saryshagan but it is launched from Kapustin Yar. There are also air bridges that unite the oblasts that are neighbors in misfortune. Everything is clear with respect to the "longed for" status as well—there will be no more spontaneous actions in acquiring it: Anyone who has not acquired it yet is too late.

But Priozersk had its own reason to try to get the ecological issue back on the agenda: to encourage the most rapid achievement of agreement between Kazakhstan and Russia on the question of further utilization of the proving ground. The session occurred literally a couple of days before the Moscow meeting.

Populism aside—here they understand that to close down the proving ground means to doom the city and the semi-desert region of Betpak-Dala to continuation of the process of extinction—the deputies presented their demands: to determine the status of the proving ground, to use the economic mechanism more effectively in dealing with the military, and to create an interdepartmental commission which would finally issue an ecological certificate regarding the proving ground.

The fact is that the military deny the proving ground's negative impact on nature and human life, saying that aluminum could not possibly affect the earth and that the solid fuel used in the missiles burns up, leaving no waste.

As confirmation of this, the chief of the local administration of ecology and bioresources, Ivan Kolbasin, gave this example: The results of analyses of samples for harmfulness conducted by military specialists are exactly the opposite of ours. In order to take away all their money from them we would have to have precise data regarding the air, earth, and water. The ecology inspector told of a truly explosive situation in which several tank cars containing rocket fuel were standing unprotected in a railroad terminal yard. More than 2,000 tonnes of heptyl, which Kazakhstan acquired along with the proving ground, actually turned out to be ownerless. The military, in turn, demand payment for delivering it to the border in order to send it back to Russia.

A guard is now in place, but this does not solve the problem completely. According to information from Deputy Yuriy Gasumyanets, at one of the sites 200 tonnes of heptyl has spilled out onto the ground. He called the situation tragic and hopeless.

Nurpat Galiakparov, chief of the oblast ecology and bioresources administration, warns the deputies: The area of the proving ground must not be accepted without recultivation. The military must be forced to gather up the scrap metal in keeping with the schedule, because as of today only 200 of the 5,000 tonnes has been taken away. It would be efficient to begin an inventory of the military property left here; the traces of it are no longer so evident on sites that have already been abandoned. In the opinion of Yuriy Utkov, deputy of the oblast council, the Priozersk problem cannot be solved at a local level; it must be moved from oblast jurisdiction to republic jurisdiction, like Leninsk and Kurchatov. The oblast is indeed not in a position to raise up Priozersk—the first deputy chief of the oblast administration, Vera Sukhorukova, subsequently confirmed. For previously most of the expenditures were covered by the military department, but since 1992 the costs were covered partially from the oblast budget and beginning last year, because of the withdrawal of military units from Priozersk, the situation became much worse. The oblast administration petitioned for the allotment of about 1 billion tenge from the republic budget for maintaining the Priozersk social sphere this year. The Ministry of Finance refused us this subvention.

One must admit that the conversion process at defense enterprises of Priozersk was not successful. Of the new productions, only the enriching factory of the Balkhash mining company provides jobs for both people of Priozersk and specialists from closed uranium mines who were left without work. The other projects of the city administration for restoring Priozersk are either in the very initial stage or are projected, as one deputy put it. For example, there is a big question mark about the above-planned development of an international class sanatorium-health resort zone here. You will agree that "fuel oil lake" with an area of about 500 hectares which is 300 meters from Balkhash is not the best calling card for the sites to be seen locally. There is simply nowhere to get additional income and the military is gradually transferring all the infrastructure from its books to the city balance sheet. And there is nothing left for the civil authorities to do but hold out their hands.

The military administration sees its own way out of the existing situation. The commander of the military unit, Major General Vladimir Korniyenko, in an interview granted on the other side of the barbed wire on the premises of the unit, said: "We suggest leasing out Priozersk along with the proving ground. Or—determine shared participation. Without our help the city would have frozen during the winter and in the spring there is the danger of an epidemic. But the number of people in the military unit is decreasing all the time and there have been two call-ups from Kazakhstan—and not a single soldier. We are also interested in a comprehensive study of the proving ground; this will help us to dispel negative public opinion. We will try to do whatever the ecologists tell us."

The intergovernmental commission created after the signing of the agreement between Kazakhstan and Russia on the conditions for leasing the Saryshagan proving ground and maintaining the city is to develop a leasing agreement within three months. According to the agreement, the military unit will maintain the status of a Russian military formation temporarily located on the territory of Kazakhstan. The military facilities are to be leased for 10 years.

The chief of the Priozersk city administration, Sagymbay Medeubayev, who represents the interests of the oblast and the city in the intergovernmental commission, intends to achieve the main thing as of today—for the rental payment to reach its destination as quickly as possible. Without these injections it is impossible to restore Priozersk. Moreover, it is not just a matter of harmful discharges into the atmosphere, which migrate with the air flows throughout the territory of Kazakhstan and beyond that throughout the CIS. We are speaking about our bilateral movement in the direction of one another.

Shtopel on Assembly of Peoples' Chief Aims

954F1905A Almaty SOVETY KAZAKHSTANA in Russian 24 Mar 95 p 2

[Interview with Aleksandr Shtopel by Vadim Makhin; place and date not given: "To Build Our Common Home Together"]

[FBIS Translated Text] Almaty—**The first session of the Assembly of Peoples of Kazakhstan is being held today in Almaty. On the eve of this important event, our correspondent met with Aleksandr Shtopel, member of the organizing committee for the preparation and staging of the assembly and adviser of the president of the republic on national relations, and asked him to answer a number of questions.**

[Makhin] How was the idea of the creation of the assembly born?

[Shtopel] Back in December 1992 at the first forum of the peoples of Kazakhstan, Nursultan Nazarbayev, president of the republic, advanced the idea of continuation of the work of the forum—the creation of an institution of the unity of the peoples of our country. Many proposals were received, but we rested our choice on an assembly as the symbol and organ of unity.

And so, on 1 March of this year, an edict of the president on the creation of the Assembly of the Peoples of Kazakhstan, as a consultative and advisory body under the president of the republic, was issued.

[Makhin] How do you evaluate this status of the assembly?

[Shtopel] As being very high. This presidential edict confirmed the statute on the assembly. The corresponding decree of the Cabinet of Ministers has been adopted.

[Makhin] Does this not create the impression that the idea of the assembly is being introduced from above?

[Shtopel] The idea of stability, multinational harmony, and civil peace comes from the masses at large themselves. Small assemblies have already been held in all oblasts of the republic. And they have met with approval and hope everywhere.

A republic staff for the preparation and staging of an Assembly of the Peoples of Kazakhstan under the chairmanship of Deputy Prime Minister Akhmetzhan Yesimov was formed. Members of the president's staff and the Cabinet of Ministers and ministry and department leaders are a part of this. The organizing committee was entrusted with organizational and material and technical support for the first session. The preparations for it are practically complete.

[Makhin] How many delegates will be coming to Almaty?

[Shtopel] The small assemblies of all oblasts of the republic have delegated for permanent participation in the work of the assembly 260 persons. Leaders of the republic's national-cultural centers and veterans' organizations and employees of the machinery of state who deal with national matters will be at the session also. Three hundred and five persons altogether. In addition, the leaders of republic parties, scholars, journalists, leaders of artistic unions, and eminent persons of the country have been invited to the meeting hall of the Supreme Council, where this forum will be held. The hall is convenient for the staging of such activities. It is equipped with simultaneous translation in Kazakh and Russian. And in English also, which is of considerable importance, since the diplomatic corps accredited in Kazakhstan has been invited to the session also.

[Makhin] What does the assembly see as its main purpose?

[Shtopel] I will put it briefly like this. To analyze on the basis of the Constitution and current legislation the social and political life of the country and formulate recommendations for an improvement in nationality policy. And to submit specific practical proposals to the president, as the head of state and guarantor of observance of the rights of the citizens, regardless of their national, religious, or other affiliation. The assembly is designed to further the spiritual revival and development of the numerous nations that live in the republic and the formation of cultural, civilized relations between them. It will seek a resolution of possible conflicts and devise scientifically substantiated programs of the development of national relations.

[Makhin] As you mentioned, veterans' organizations are part of the assembly. To what end?

[Shtopel] The assembly has been accorded the right of defense of the interests of veterans, participants in the Great Patriotic War included. This is particularly important now, in the year of the 50th anniversary of the victory. Fulfillment of the presidential edict on supplementary privileges for war veterans will be placed under special supervision.

[Makhin] The session will end, the delegates will depart. Who will [word illegible] fulfillment of their recommendations?

[Shtopel] A steering body of the assembly—a council, which will include the leaders of all national-cultural organizations and the small assemblies and representatives of various organs of power and creative unions—is to be formed. About 60 persons altogether.

[Makhin] These will all be staff employees.

[Shtopel] No, it is planned to allocate five to seven full-time employees, no more. The participants in the assembly will rely in the realization of their plans on the activity of the news media to a large extent. It is even planned publishing the assembly's own paper for this purpose.

[Makhin] It is hard to anticipate what the subject of the first session will be. Nonetheless, a range of priority problems has already been identified, most likely?

[Shtopel] Each nation and region of the republic has its own painful issues. But there are similar ones also. The revival of the national languages, for example. Whereas the teacher personnel is up to the strength in the Russian and Kazakh schools, in the main, there is a catastrophic shortage here in the groups studying other languages. There is a problem with textbooks also. They are received from time to time from Germany and North and South Korea, but these books wholly fail to take account of Kazakhstan's specifics! The question of the location of the republic national-cultural centers has yet to be decided.

Whatever the case, the organizing committee has done everything possible to ensure that the assembly discuss its problems in detail and work productively and that its participants be in a good frame of mind. There will to this end in the Theater of Opera and Ballet on Friday evening following the conclusion of the session be a big festive concert of masters of the arts of Kazakhstan. Artistic ensembles of the national-cultural centers, from Kustanay and Zhambyl, in particular, will perform.

I would like to hope that all inhabitants of the republic will warmly support the assembly's decisions and render it practical assistance. Kazakhstan is our common home, and it is for all of us, regardless of nationality, to build this home and live in it in peace and harmony.

Kyrgyzstan

Kyrgyz-Russian Foreign Ministry Agreements Signed

LD2803114295 Bishkek Kyrgyz Radio First Program Network in Russian 0500 GMT 28 Mar 95

[FBIS Translated Text] A Russian delegation led by Deputy Foreign Minister Panov held consultations at Kyrgyzstan's Foreign Ministry yesterday. Foreign Minister Otunbayeva and her deputies, Yesenkulov and Chemetov, held substantive talks with the leaders and members of the Russian delegation.

A number of documents were then signed. They are intended to expand the negotiated legal foundations for relations between these two CIS states. They include a government agreement on Kyrgyz-Russian cooperation in culture, science, and education, and a plan of measures for 1995 to fulfill the protocol on cooperation and coordinated activities between the two countries' foreign ministries. A government agreement on the status of correspondents, the media in the Kyrgyz Republic and the Russian Federation, and journalists and media from Russia in Kyrgyzstan was also initialled.

Today the guests are to visit the Kyrgyz-Russian Slavic University, where they will take part in the opening of a photograph exhibition devoted to the 50th anniversary of the victory over fascism. Later they will discuss a number of issues of mutual interest concerning the university's governing board.

The delegation's program also includes meetings with Defense Minister Subanov, Russian Embassy officials in Bishkek, and representatives of the Soglasiye Association of ethnic Russians and the Slavic Fund.

The visit ends 29 March.

Details of New Parliament's Opening Session

LD2803104195 Bishkek Kyrgyz Radio First Program Network in Russian 0500 GMT 28 Mar 95

[FBIS Translated Text] Today, 28 March 1995, the first meeting of the Legislative Assembly of the Supreme Council of the Republic of Kyrgyzstan is being held in the small assembly hall of the Supreme Council and the first session of the Assembly of Peoples' Representatives of the Supreme Council of the Republic of Kyrgyzstan is being held in the large assembly hall.

Here is a report from our parliamentary correspondent Erika Osmonaliyeva on the start of the session. The report was transmitted by radio.

[Osmonaliyeva] The first sessions of both houses of parliament began at Government House today: The first meeting of the Legislative Assembly and the Assembly of Peoples' Representatives. These were held separately in different halls.

The meetings started, as usual, with procedural issues. These are, of course, the opening of the session, the election of a credentials committee, and discussion of the powers of peoples' deputies.

It should be said that 60 deputies in the Assembly of Peoples' Representatives were registered in the foyer, but when they were registered in the hall the number turned out to be 40.

They approved the composition of the credentials committee by a show of hands. It has seven members: Orozaly Dononbayev, Dastan Sarygulov, Turdakun Usubaliyev, Bulat Akkaziyev, Ergesh Torobayev, Torogeldiyev, and Sydykov. A chairman of the credentials committee was also elected by a show of hands: Turdakun Usubaliyev. Then the deputies came out for a break.

A meeting of the Legislative Assembly was taking place simultaneously in the small hall of Government House. The meeting was opened by Aleksandr Sergeyevich Moiseyev, the deputy chairman of the Central Election Commission. It turned out that 29 of the 35 deputies were registered.

They too elected a credentials committee. Its members are Dzhurayev, Boris Gogayev, Aleftina Pronenko, Adakham Madumarov, and Kochkeyev. The election of the chairman of the credentials committee is to be held after the break.

I want to add that the Assembly of Peoples' Representatives was opened by Markil Ibrayevich Ibrayev, the chairman of the Central Election Committee.

Parliament Elects Deputy Chairmen

LD2903113495 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 0900 GMT 29 Mar 95

[FBIS Translated Text] The bicameral parliament of the Supreme Council in the Kyrgyz Republic continued its work after the lunch-break. Our correspondent has sent in the following report by portable radio:

Both chambers of the Supreme Council continued their work at the same time at Government House today.

Almanbet Muatubraimov, the chairman of the Assembly of People's Representatives, proposed a draft agenda to the deputies. Regulations for the Assembly of People's Representatives, its structure, the election of a deputy chairman, approval of the presidium's composition, and various other matters were included on the agenda.

After approving the agenda the deputies began discussing the question of electing a deputy chairman. Most deputies suggested that two deputies should be elected. Deputy Abdygany Erkebayev introduced a motion that the two deputies should be from the Russian and Uzbek ethnic groups, and the deputies decided in favor of Anatoliy Maryshev and Baktiyarjan Pattakhov and approved them as deputy chairman of the Assembly of People's Representatives.

Chairman Mukar Cholponbayev opened the session in the Legislative Assembly and proposed that the draft agenda should be approved. The establishment of a working group on the structure of the Legislative Assembly, election of a deputy assembly chairman, and chairmen of committees, and approval of the presidium, as well as amendments and addenda to the Constitution, were placed on the agenda. Almost all the deputies agreed to the above matters and voted for them.

Since the lunch-break both chambers have been continuing their work. We will inform you in detail about how the session is going in the next news bulletin.

President Akayev Issues Edict on Privatization

LD2903105095 Osh EKHO OSHA in Russian 23 Mar 95 p 1

[FBIS Translated Text] To improve privatization! An edict by the president of the Kyrgyz Republic on measures to complete the process of the denationalization and privatization of state property, with a view to improving organizational and legal guarantees for the further development of the denationalization and privatization of state property, I edict:

1. The adoption of a proposal by the State Property Fund of the Kyrgyz Republic on setting up a State Privatization Fund for financing organizational acts relating to the fulfillment of the denationalization and privatization programs of state property.

2. The introduction the following changes into the regulation on conditions for the denationalization and privatization of state property in the Kyrgyz Republic, which was approved by decree of the President of the Kyrgyz Republic on 14 June 1993 "On the procedure for implementing conditions for the denationalization and privatization of state property of the Kyrgyz Republic."

Item 97 will be phrased as follows:

"The special account funds will be distributed in the following order:
- 50 percent to the republican budget;
- 15 percent to the budgets of the regions and Bishkek;
- 15 percent to the fund for the development of entrepreneurship;
- 20 percent to the State Privatization Fund.

On carrying out denationalization and privatization of state property of the Kyrgyz Republic, a commission shall be levied to the amount of 7 percent on top of the selling price, and which shall not be subject to taxation and be placed in the current account."

Item 98 will be dropped.

3. The invalidation of Paragraph 6, Item 6, Section 3 of the Decree of the President of the Kyrgyz Republic of 10 February 1994 "On extraordinary measures for strengthening state and financial discipline."

4. That the government of the Kyrgyz Republic will within a month:

- elaborate and approve a Regulation on the use of the funds of the State Privatization Fund;

- elaborate and approve the Statute of the State Property Fund of the Kyrgyz Republic;

- prepare a proposal on inserting changes and additions into the law of the Kyrgyz Republic "On the State Property Fund of the Kyrgyz Republic" and other legislative acts for further submission to the Supreme Council of the Kyrgyz Republic.

5. That control over the use of the funds of the State Privatization Fund will be entrusted to the Finance Ministry of the Kyrgyz Republic.

6. This edict shall come into force on the day of publication.

[Signed] Askar Akayev, president of the Kyrgyz Republic.

Tajikistan

Rakhmanov Attends Meeting With Russian Border Guards

LD2803132095 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 28 Mar 95

[FBIS Translated Text] The results of an inspection tour by officers from the central administration of the Russian border troops in Tajikistan have been discussed at a conference in Dushanbe.

President Emomali Rakhmanov of Tajikistan, Prime Minister Dzhamshed Karimov, and Colonel General Andrey Nikolayev, the director of the Russian Federal Border Service, who is on a short working visit, took part. A comprehensive verification of the combat capability of the Russian border troops in Tajikistan for the forthcoming period has been conducted through March.

The officers discussed a number of important issues. Rakhmanov and Nikolayev made speeches at the conference, which took place behind closed doors.

Attacks on Russian Borders Troops Continue

LD2803172495 Moscow ITAR-TASS in English 1621 GMT 28 Mar 95

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Transcribed Text] Moscow March 28 TASS—Border and peacekeeping troops every six hours experience life-threatening exposures on the Tajik-Afghan border, said Director of the Russian Federal Border Service Andrey Nikolayev, who is back from a trip to Tajikistan.

Nikolayev today held a news conference on results of his trip.

According to Colonel-General Nikolayev, shellings by Tajik rebels of border posts of the Moscow and Pyanj headquarters and posts in Gorno-Badakhshan are especially frequent.

The armed Tajik opposition led by the movement for Islamic Renaissance of Tajikistan is stepping up efforts to force the border troops and CIS peacekeepers from Tajikistan because these forces are in the opposition's way to armed seizure of power in Tajikistan, Nikolayev said.

Most trouble is expected in end-May, when avalanches and mudslides go off mountains. The Tajik militants are likely to try get control of key areas of the Tajik enclave Gorno-Badakhshan to use it as a spring-board for attacks and a hide-place for their training camps and weapon stores.

There is intelligence to indicate that over the last month the Tajik opposition had obtained massive supplies of small arms, mortars, multiple rocket launchers and choppers, Nikolayev said.

Asked about a likelihood of rebel-induced destabilisation in Tajikistan, Nikolayev said the opposition had ample weaponry and forces, but "it cannot break the progress of events because it has lost influence and initiative".

Nikolayev said the Russian border guards do not interfere in Tajikistan's political developments and are doing their best in interests of Russia and other CIS states.

Communist Party Examines Election Results

LD2803133295 Dushanbe GOLOS TADZHIKISTANA in Russian 10-15 Mar No 4

[FBIS Translated Excerpt] The press center of the Communist Party of Tajikistan reports on the results of the elections to the Supreme Assembly [new parliament] and local government bodies in the Republic of Tajikistan.

On 26 February this year, elections were held to the parliament of the Republic of Tajikistan—the Supreme Assembly, and to local government bodies—the assemblies of regions, towns, and districts. In total 80 percent of citizens with the right to vote participated in the elections.

The new Law on Elections gave a chance for local councils, work forces, and political parties to nominate candidates, although political parties and local councils could nominate only one candidate from a district (irrespective of the number of constituencies).

About 400 candidates were nominated in 181 seats for the parliament and, for various reasons, the number of candidates decreased by polling day. Thus, 355 candidates were registered by 15 February, among whom there were one worker and one agricultural worker, the others being office workers, including 35 employees of the presidential staff, Supreme Council [outgoing parliament] and government; more than 90 heads of enterprises, associations, and agricultural enterprises; about 40 employees of the security apparatus; 80 heads of regions, towns, and districts and their staff; two trade union employees and two leaders from the Union of Youth.

The better number (166) of candidates called themselves members of the Communist party of Tajikistan; nine called themselves representatives of the Popular Party of Tajikistan; four—representatives of the Party of People's Unity; and one—a representative of the Party of Economic and Political Renewal.

In accordance with the law, the Communist Party directly nominated 47 candidates at its plenary sessions.

The majority of constituencies, where the chairmen of regions, towns, and districts, and employees of the security structures were running for election, were without alternative candidates by the day of elections. [passage omitted]

In the first round of voting, 161 deputies were elected, and most are employees of the presidential staff, Council of Ministers, Supreme Council, heads of regions, towns, and districts of the republic, as well as heads of farms, representatives of the security structures, and entrepreneurs. Repeat elections will take place on 12 March.

Representation in parliament will be as follows: 60 deputies from the Communist Party; five deputies from the Popular Party; two deputies from the Party of Peoples' Unity, and one deputy from the Party of Economic and Political Renewal. There are five women among the deputies, all of whom are members of the Communist Party, as well as two Russians and 12 Uzbeks.

The communists obtained a large number of seats in the elections to local councils.

A series of candidates to the Supreme Assembly have gone on to the second round of voting. [passage omitted]

Turkmenistan

Turkish 'Penetration' of Country's Economy Viewed

MM2803143595 Moscow ROSSIYSKAYA GAZETA in Russian 25 Mar 95 First Edition

[Report by Grigoriy Smolnikov: "Kyzylkum Dances to Turkey's Tune. Istanbul Squeezing Moscow Out of Ashgabat"—from the "Economic Union" section, p 7]

[FBIS Translated Text] Ashgabat—The Turks in Turkmenistan behave as if they owned the place. For example, Rakhim Cholek [name as transliterated], a 42-year-old entrepreneur from Izmir, is putting up a comfortable hotel in the "sunny" republic's capital primarily for his fellow countrymen, who are energetically making Kyzylkum habitable. Last year Istanbul surpassed Moscow, for example, in trade turnover. Moreover, Turkey achieved a positive balance of $140 million.

The Turks have been especially successful in construction. They are putting up 76 facilities—a processing enterprise, stores, and hotels—all for $1 billion, leaving the Italians behind.

The penetration of Turkmenistan's economy is proceeding under the strong and energetic control of the Ashgabat mission of the Turkish Development and Cooperation Agency (TIKA). Its sphere of interests encompasses agriculture, civil aviation, education, health care, minerals extraction, and setting up small and medium enterprises. Special attention is being devoted to the construction of a complex of mosques and Islamic religious schools—a gift from the Turkish Government. TIKA and the general management of Turkish highways have started to work out a plan to rebuild local highways. The electrification of the railroad, laid more than 100 years ago by the Russian military, is being planned.

TIKA plans to open a model farm and expand research work with Turkmen landowners.

The Turkish "Halk Bankasi," having put up one-fourth of the Turkmen Bank for Reconstruction and Development's incorporation capital, is doing everything to establish it as soon as possible.

Last year Turkey began daily four-hour broadcasts of its "Eurasia-TRT" television channel. In addition, Istanbul has allocated $240,000 free of charge to Turkmenistan's television and radio broadcasting company by way of technical aid.

Young people have not been forgotten. Some 2,300 youths from Turkmenistan are being educated at Turkish high schools and universities.

Turkmenistan's transition from the Cyrillic to the Latin alphabet, like that of other Central Asian republics of the former USSR, is being stepped up. A few months ago TIKA donated a print shop worth $150,000 to Turkmenistan's Education Ministry.

'Explosion' in Demand for Foreign Currency Reported

LD2803122695 Ashgabat VECHERNIY ASHGABAT in Russian 15 Mar 95 p 1

[FBIS Translated Text] The number 13 has always been a strange number, and the 13th week of unrestricted sales of foreign currency proved this once again.

Reports from the Central Bank of Turkmenistan from 6 to 11 March recorded a real explosion in the population's demand for foreign currency. The commercial banks sold $1,993,311 over the five days of the week, in other words $400,000 a day.

Last week almost 4 million manats "taken" from the population with the help of foreign currency, and of course this will be reflected in the purchasing power of the republic's citizens in the near future. At the same time, $315,621 were taken by the exchange points (an average of 63,000 a day), worth 60 million manats, which somewhat balances out the flurry in demand.

Once again the number 13: Monday, 13 March, saw the highest recorded sum of foreign currency sold to the population: $520,571.

How can such an explosion in demand for hard currency be explained? There are several views. First, bankers in the republic think the situation can be explained by rumors that suddenly started circulating among the mass of the population to the effect that exchange offices might close and foreign currency sales end. You will understand that periodically there are unconfirmed rumors and gossip, but that they are generally unfounded. Staff at the Central Bank of Turkmenistan, who are excited at the sudden flurry on the country's currency market, state that: "Exchange offices will not be closed, which means that buying and selling foreign currency will not stop." The decision to open exchange offices was taken by the president of Turkmenistan and can be terminated by the president alone.

Another view is that these rumors have perhaps been caused by the rise in the prices of some goods, public utilities, and urban transport fares. Many people forget that prices were raised after a month and a half or two months after wages increased by between 100 and 300 percent; in other words, this is forward progress which has, incidentally, been achieved with minimal harm to the population.

Let us sum up. An earlier article carried an interview with the head of the Central Bank in which he said that exchange points would not close and that the state and government have sufficient foreign currency in cash to meet any public demand for a virtually unlimited period. So just think for a minute: If the dollar exchange rate is cut in a little while—and all the preconditions for this exist—someone who has moved today will incur losses.

As usual, in conclusion the numbers. Since unrestricted sales of foreign currency to the population began $17,183,637 have been sold, to a value of 3,746,212,303 manats. At the same time $4,764,291.98 have been bought to a value of almost 1 billion manats.

Armenia

Joint Russian-Armenian Military Exercises Begin

LD2803141695 Moscow ITAR-TASS in English 1305 GMT 28 Mar 95

[By ITAR-TASS correspondent Sergey Ostanin]

[FBIS Transcribed Text] Moscow March 28 TASS—A joint tactical military exercise of the Russian troops and units of the Armenian Armed Forces began today on the territory of a training centre of the Russian Army group in the Transcaucasian region. It is the first joint military exercise of units of the two armies, held in accordance with an agreement on collective security, signed by the CIS member states, ITAR-TASS has been told at the press centre of the Russian ground forces.

The military exercise, which will last until April 1, is devoted to the 50th anniversary of the great victory. Its slogan is "We shall preserve and develop soldiers' brotherhood and combat experience of the victorious war years." Participants in the military exercise are going to address veterans of the great patriotic war, as well as all officers and men of the Armed Forces of the CIS member states, urging them to consolidate tirelessly our collective security, using the traditions and experience of war veterans.

Parliament Continues Work on Election Law

954F1909A Yerevan RESPUBLIKA ARMENIYA in Russian 24 Mar 95 p 1

[Article by Felix Tokhyan, RESPUBLIKA ARMENIYA political columnist, under the rubric "Parliament": "Will There be a New Law on Elections?"]

[FBIS Translated Text] The parliament of the Republic of Armenia continued its work this morning. Parliament has been trying with agonizing difficulty over four days to find compromise resolutions on important political questions associated with the need for new legal regulation of elections to parliament and confirmation of an economic strategy for the development of the republic. This time the meeting of parliament began at the normal time, and on the recommendation of A. Saakyan, presiding, it continued discussion of necessary constitutional changes associated with the adoption of a new law on elections. Deputy Kh. Aryutyunyan, who spoke, and who has done a lot for progress in this sphere, answered numerous deputies' questions. Unfortunately, many of them were a reflection of insufficiently high legal preparedness on the part of the deputies and lack of knowledge of the fundamentals of the theory of law, especially constitutional law. Many did not make distinctions between the legal force of the constitution, constitutional laws, and current laws. This regrettable fact once again indicates the necessity to consider professional legal training for future members of parliament. It is appropriate here to note that the meeting of the extraordinary session did not have the necessary quorum (not less than two-thirds of the deputies) i.e., 163 votes, so that the question on the introduction of constitutional changes associated with the new law on elections would be put to a vote. Consequently, the results of the meeting of the parliament were predicted, although about 30 members of parliament; i.e., almost every fifth member of parliament attending the meeting, registered to speak on the question under consideration. As a result of such a correlation of political forces, the question was shifted completely from the legal field to a strictly political plane, and the deputies noted the necessity or the impossibility of political compromises on the extremely important question under discussion, and mutual insults and accusations were expressed.

What future awaits the new draft law on elections, which has, we will note in particular, the rank of constitutional law, because its adoption requires the introduction of appropriate changes and additions in the Constitution of the Republic of Armenia that is now in effect?

Without the laurels of a political oracle, and with the right to make a mistake, we will try to make a forecast and to analyze possible scenarios for development.

The first variant. Parliament does not find in itself sufficient political will, and the new draft law on elections is not passed. Consequently, the old law on elections will remain in effect, according to which elections are conducted exclusively according to majority election districts, and a nonprofessional, unwieldy parliament with 260 members is created. I can note with confidence that the elections of 5 July will simply fail if the old law on elections does not introduce the necessary changes associated with the liquidation or sharp reduction of the quorum level sufficient for declaring the elections valid and acknowledging the candidates elected to parliament. There will be no kind of parliament. The country could end up in a political crisis, which will be very difficult to get out of through legal means. The active intervention of the president is possible, which may be insufficiently legally correct because of the absence of a suitable legislative field. This is the worst variant for the opposition political forces, and quite bad but acceptable to the current authorities. This scenario, in light of today's arrangement of political forces in parliament, is rather realistic.

The second variant. Parliament passes a new law on elections, according to which it will consist of 160 deputies, of whom 120 members will be elected according to the majority system, and 40—according to a new proportional system, strictly on a professional basis. Parliament will make the necessary constitutional changes, elections will be held on 5 July, and a strong capable professional legislative organ will be established in the republic. I consider this scenario, which also is acceptable to the ruling forces and is desirable to the opposition, difficult to achieve today. It is enough to note that on the question of professionalism more than 70 deputies have already come out against it, disseminating in writing their opinion and demand to authorize holding posts in the executive structures of authority simultaneously with the mandate of a member of the republic National Assembly (these are the current chiefs of local organs of executive authority, administrative managers, etc.). They do not want in any way to lose their political "shield"—the mandate of a member of the future parliament.

The third variant. Future elections to parliament are not associated with the draft law on elections, and the need is noted for the adoption of a new constitution of the republic which consolidates the fundamental norms of an electoral system, and which forms the future parliament and its numerical composition, strictly of a professional nature, etc. On 5 July or even earlier it is not elections to a new parliament that will be held, but a referendum on the adoption of a new constitution. For this it is necessary to introduce changes to legislation in effect, in particular, the law on the referendum, and to give the president the right to designate a referendum (only parliament has such today). One hundred and twenty-three votes are enough for this; i.e., a simple majority of the members of parliament. This variant of the development of a political scenario for the near future is the most realistic and intelligible for today's authorities. It will not be necessary even to organize the collection of 2,000 signatures with the requirement of a constitutional referendum. Of course, we could be mistaken. This is not the main thing. What is primary is that the future political process in the republic develop strictly within the framework of the law, and without serious pre-election political cataclysms.

Azerbaijan

Aliyev Meets With Returning OSCE Delegation

NC2803144395 Baku TURAN in English 1934 GMT 27 Mar 95

[FBIS Transcribed Text] Baku (March 27) TURAN—Today the President Geydar Aliyev met with the OSCE delegation headed by the Vladimir Kazimirov and Anders Bjorner which has returned from Yerevan. It was stated that the delegation of the OSCE could not visit Khankendi [Stepanakert] due to weather. Vladimir Kazimirov said that the results of the talks in Yerevan with the representative of the Armenian community of Nagorno-Karabakh Arkadi Ghukasyan will be known in two days (he will return to Khankendi, inform his leadership and the answer will be given on the phone to the representatives of the OSCE.)

According to Kazimirov it is necessary to keep to cease-fire first. "Ter-Petrosyan said today that as a good will he returns six Azerbaijanis who were kept in Armenia."

Anders Bjorner noted that a major aim of the mission was to prepare the agreement on the total settling the conflict and to discuss the key points of that settlement. Geydar Aliyev noted that Azerbaijan was going to keep to cease-fire. "Status-quo does not suit us, we are going to obtain full peace," noted he. According to him, Azerbaijan is ready to sign the agreement , but the opposite side should not forward preliminary conditions. The President supported the speeding up of exchange the war prisoners and hostages , which is to be held before May 12. Then a meeting was held behind the closed doors.

Aliyev on Turkey's Oil Share, Democratization

NC2803141495 Istanbul HURRIYET in Turkish 28 Mar 95 p 14

[Text of exclusive interview with President Geydar Aliyev by HURRIYET correspondent Irfan Sapmaz in Baku; date not given]

[FBIS Translated Text] [Sapmaz] Can you comment on the decision to allow Turkey to have an additional 5 percent share in Azerbaijan's oil and the possibility of the construction of a pipeline from Azerbaijan to Turkey?

[Aliyev] I have informed all the media organs that the pipeline will be constructed and Turkey will receive an additional 5 percent share in our oil. I have promised that. I outlined that on my way back from Copenhagen. I have made a promise to President Suleyman Demirel. I am not a person who breaks the promises he makes.

[Sapmaz] When will the agreement be signed?

[Aliyev] The agreement can be signed in the near future.

[Sapmaz] The U.S. Embassy called for the stepping up of the democratization process. Can you comment on that initiative?

[Aliyev] I am doing my job, regardless of who says what. The process of democratization is continuing. Things are going well, regardless of who says what.

[Sapmaz] Is there anyone else who is qualified and experienced enough to replace you in Azerbaijan?

[Aliyev] Well, what is your opinion? Is there a name that you can mention?

[Sapmaz] No, you seem to be the only leader at the present time.

[Aliyev] I, too, believe that no one else exists.

[Sapmaz] Can a new attempt be made to stage a coup?

[Aliyev] No, a new threat does not exist.

[Sapmaz] When will the elections be held?

[Aliyev] Do not be worried, the elections will be held either in September or in October. I wish happiness for the Turkish people.

Official Says Mahir Javadov Might Be in Russia

NC2803133395 Baku TURAN in English 1503 GMT 27 Mar 95

[FBIS Transcribed Text] Baku (March 27) TURAN—"Judging by all, Rovshan Javadov's brother Mahir left the territory of Azerbaijan and he is on the territory of Russia", a highranking employee of the Ministry of National Security told Turan's correspondent.

Earlier the Azeri authorities announced that Suret Huseynov and Ayaz Mutalibov are currently in Moscow and they are involved in the events of March 17. If its true, the supposition that Mahir Javadov fled to Russia have grounds. In this case, one can suppose that Mahir Javadov will join the alliance Mutalibov Guseynov-Gaziyev and will continue struggle against the current regime of Azerbaijan.

The fact that the group of Russian servicemen were rendered harmless on the OPON [Special Purpose Police Detachment] base in Baku on March 17 acknowledges the involvement of separate Moscow's circles in the events in Azerbaijan.

On March 22 the Milli Mejlis adopted the resolution to apply to the Russian Duma with the request "to extradite Ayaz Mutalibov, Suret Guseynov, Alikram Gumbatov, Rahim Gaziyev and other persons committing the state crimes and leaving on the territory of Russia to Azerbaijan".

Fourteen Newspapers Announce Week-Long Strike

NC2803144295 Baku TURAN in English 1934 GMT 27 Mar 95

[FBIS Transcribed Text] Baku (March 27) TURAN—From today the Editors-in-Chief of 14 independent newspapers of Azerbaijan announced a week strike. They demand to decline the political censorship. At the same time they adopted an appeal which said that a situation with freedom of speech and functioning the press in Azerbaijan is getting worse every day. Mass media, a position of which does not coincide with the position of official and is under the hard political and economic pressure. All that was noted in the appeal to the world community, foreign embassies, law enforcement organisations and world mass media, adopted by the heads of 14 independent newspapers of Azerbaijan.

The appeal notes that three censorship function in the country - Glavlit, Special department in the presidential office and Baku's commandant's Office. The heads of the independent mass media note that under the state of emergency the activity of military censorship is not quite clear. "However, the Glavlit, Special department and Baku's Commandant's Office are dealing not with military but political censorship," say the authors of the appeal. They note that a state printing-house 'Azerbaijan' is a printing house-monopolist and refuses to print the newspapers with "white spaces" which appear due to censorship. That is why most of the opposition newspapers were not issued lately. The authors called the progressive forces of the country to joint actions for restoration the human rights, freedom of speech and the press.

Guseynov, Mutalibov 'Treachery' Scored

954F1895A Baku AZERBAYDZHAN in Russian 18 Mar 95 p 3

[Article by Namik Faradzh Sygyrly: "Peak of Treachery"]

[FBIS Translated Text] Azerbaijan is gradually completing the transitional period of its recent history of difficulties and contradictions. Finally, genuinely national values connected with the national state and their manifestations in the person of a specific historical personality are clearly beginning to show through. Thus at the end of the 20th century, as a result of a well-considered policy, a process of the Azerbaijani nation's evolutionary affiliation to world civilization is taking place.

Following the accession to power of a politician of world stature, Geydar Aliyev, the ideal of national statehood, which had found a way toward public understanding, began to assume the nature of cornerstone of our values. Pursuing a policy based on national ideals, the president of the Azerbaijan Republic made the line of national statehood the highest, inspiring ideal of society. This contribution, being a serious political factor, at the same time acquired ethnic and moral significance. But the consistent struggle of Geydar, who has personified an independent, united, and free Azerbaijan, is not to the liking of a handful of traitors in hiding far away from the motherland.

These dark forces, which reject, owing to intellectual deficiency, the ideals of the national state supported by the vast majority of the people, are prepared to sacrifice to cheap political ambitions the independence won at the price of hardships and the blood of the martyrs.

The Azerbaijani people have a wise saying: "Tell me who your friend is, and I will tell you who you are!" An interview published recently in ARGUMENTY I FAKTY (No. 10, March 1995) with the bloody Ayaz and the drug gangster Suret Guseynov is accompanied by photographs of them. The exhumation of the political corpses, which has become traditional each spring, caused no sensation. Having stepped over the bodies of the martyrs on 20 January and having come to power and then, on account of his unappealing deeds, having fled, this person has prattled away in venal fashion.

The morality of S. Guseynov, who is on a par with A. Mutalibov in venality and treachery, is well known to our people. After all, it is not that long since his adventure burst like a soap bubble. Undeserving of holding the office of prime minister either by virtue of his professional qualities or thanks to his philosophy, S. Guseynov, who came to power on the wave of the social and political maelstrom and who promised with fake fervor to make available to the National Assembly within 10 days' time an economic program and within three months' time to have purged Nagornyy Karabakh of Armenians, somewhat later, having wriggled out of his "word as a man" and disregarding the proprieties, became a stumbling block in the way of the democratic development of independent Azerbaijan. It might have been expected that the former director of a small provincial plant who had no political experience would have deemed it an honor to work shoulder to shoulder with a great politician of our time and would have attempted to grasp the secrets of world politics and to have taken advantage of the opportunity of world politics that had been accorded him.

But the colonel of the times of the Azerbaijan People's Front failed to justify the trust, on the contrary, he concocted new adventures. This individual failed to recognize that in the history and destiny of Azerbaijan G. Aliyev is a phenomenon akin to Prometheus, the hope and savior of the motherland, and a brave commander and hero. It is for this reason, perhaps, that the enemies of Azerbaijan's independence and democracy have chosen its unbending leader as their target.

Having begun in Azerbaijan in the latter half of the 1980's and having reigned at the start of the 1990's, this treachery continues today even on the part of those who are adding fuel to the enemy fire.

Circles infected with the disease of chauvinism and supreme power always aspire to erase from the historical memory or besmirch the great sons of "small" peoples. The anti-Aliyev campaign is no exception in this respect.

The publications of an anti-Azerbaijan focus primed from the dubious sources of the traitors to the motherland A. Mutalibov, S. Guseynov, V. Guseynov, R. Gaziyev, and A. Gumbatov are, generally, inflicting heavy losses on the image of Russian democratic thought of the 20th century. For such newspaper publications, contributing to the single-minded ideological sabotage of criminal persons against the state foundations of a near neighbor, the Azerbaijan Republic, will ultimately damage the normal development of Russian- Azerbaijani relations. Threats were expressed against our people and words casting aspersions on the honor of our nation: "All of Baku has become a vast brothel," were employed even in the interview in question. Could there be a more dreadful and disgusting example for exposing the true colors of Suret Guseynov pontificating about his love for the motherland?

This ungrateful individual, who permits himself to say such things about the capital of his motherland, no longer has the right to step on this land. There are more than enough facts confirming Guseynov's treacherous essence. Does Suret Guseynov have the right today to speak about the work of more than 1 million refugees when in 1992-1993 he made use of the army units entrusted to him not for the defense of Azerbaijani land against the enemy but for mercenary purposes.

Having occupied the chair of prime minister for more than a year, S. Guseynov, instead of having prepared a program of necessary reforms, devoted his activity to personal enrichment and the cause of the creation of illegal armed formations and the preparation of a coup d'etat. The Nijat Society, which was formed under the name of a charitable society, was the means of the realization of these base intentions. Merely one uncovered shortfall at the Yevlakh Primary Wool-Processing Factory totaling more than R1 billion speaks volumes.

Holding office, this person, for the sake of the perpetuation of cheap fame, came out with populist slogans, trying to prove the impossibility of economic reforms in a country in which a war was being fought, and paid no heed to the recommendations of international organizations. Because of his obtuse obstinacy, negotiations with the International Monetary Fund on the allocation to Azerbaijan of a soft loan (totaling $240 million) produced no real results. On account of the incompetence of the former prime minister, the inflation of the manat acquired cosmic speed: 108-120 percent a month! In the brief period of work of the Cabinet of Ministers without S. Guseynov, on the other hand, negotiations with the International Monetary Fund have produced effective results, the exchange rate of the manat is moving in the direction of stabilization, and inflation has fallen to 5-7 percent.

The long-term cease-fire is the result of the successful diplomatic policy of Geydar Aliyev, president of the Azerbaijan Republic—it has brought closer a resolution of the war by peaceful means, the liberation of our land, the return of the refugees to their native parts, and assurance of the country's territorial integrity. At the same time, on the other hand, the charge of Suret Guseynov that has been heard concerning the Azerbaijani state's assistance to the Chechen people in the struggle, in the war, against Russia with munitions and also his accusation that mercenaries from Afghanistan and other countries are being transported across our country are nothing other than the peak of national treachery. In order to please their masters these people are for the sake of personal ambitions prepared to pour dirt on their motherland, but no efforts will save them from the people's anger and judgment.

The imposition by certain political circles of Russia of economic sanctions against Azerbaijan and the creation of internal political destabilization by way of political provocations are a direct result of the activity of these traitors.

Discussing at his level the "contract of the century," S. Guseynov with his characteristic illogicality accuses the president of Azerbaijan of pro-West sentiments. Did Russia in the three centuries of its history not attempt to carve out a window onto the West or is Russia's present policy not built on observance of the interests of the

West? Of what in this case is it possible to accuse Azerbaijan, which is building equal and mutually profitable relations with the Western countries?

His deliberations on the oil contract reveal with particular clarity his economic and political illiteracy. Finding no serious arguments in connection with Geydar Aliyev's signing of the oil contract, which is considered a big political success, S. Guseynov questions the authority of such well-known Western oil companies as Amoco, BP, Pennzoil, and others, which proves once again how far removed he is from these issues. This person's biased attitude toward the first big international agreement, which will bring independent Azerbaijan big economic and political capital, reveals his true essence. The behavior of Suret Huseynov, who considers Azerbaijani oil the property of Russia, virtually, may be regarded as the behavior of a servant before his master. The escape from prison of R. Gaziyev and A. Gumbatov, the assassination of the politicians A. Dzhalilov and Sh. Ragimov, and, finally, the attempt at a coup d'etat following the signing of the oil contract show the onerous conditions under which the president of Azerbaijan is operating.

In speaking about the fact that the coup d'etat scenario of 4 October was prepared by the special services of Turkey S. Guseynov is attempting to evade responsibility before history and the people, although practically no one in Azerbaijan doubts that he was the direct leader of the coup d'etat. There is in the republic's law enforcement authorities together with innumerable pieces of evidence also a sufficient number of depositions of witnesses proving S. Guseynov's direct leadership of the coup d'etat. And for this reason his attempts to put a different gloss on this coup, which was averted as a result of the wise and far-seeing policy and decisiveness of the president, whom the people believe and support, is nothing other than the venal mask of a traitor hiding in a foreign country. In his delirious thoughts concerning the Wahid Bank and the OPON [Special Police Department] S. Guseynov goes even further. He says: "The people have been impoverished to the hilt. On 1 March, in a central Baku square, there was an uprising of investors in the Wahid Bank who had been deceived by the **government** (my emphasis—N.F.S.) and who were pacified by the OPON."

Such vulgar and false charges of deception of anyone testify to his economic illiteracy.

The serious consequences of unscrupulous transactions that have occurred in the commercial banks have evoked a turbulent reaction in society. And this is natural. Because a loss in anyone's pocket of money earned by blood and sweat does not fit within any moral standards.

The bankruptcy of private banks and other commercial structures relying in their operation on inflationary processes points to the single-minded policy of the president in the sphere of economic reforms and financial and credit policy. The attempt to divert the private banks situation into the sphere of policy and in this way form a particular financial oligarchy will undoubtedly be unsuccessful.

In the history of Azerbaijan's independence, prosperity is linked with the name of Geydar Aliyev. It is sufficient to say that back in the 1970's-1980's, when he was in the leadership, science, education, and culture developed at an accelerated pace in Azerbaijan, the social position of the populace was quite high, more than 250 industrial facilities were built, and powerful agrarian- industrial potential was created. Azerbaijan is still being supported thanks to this potential. And for this reason the attempts to counterpose drug trade operators and other unscrupulous people to the phenomenal personality who has shaped the economic and scientific-technological image of Azerbaijan are blasphemous.

S. Guseynov declares in the interview that following the events of 4 June 1993, real power was in his hands and that he preferred for himself the title of "shah," and for Geydar Aliyev, "vizier." But subsequently, allegedly displaying softness, he contented himself with the office of prime minister. Nothing else, according to the poverty-stricken logic of S. Guseynov, was to have been expected. In any event, it is no secret in Azerbaijan that Geydar Aliyev came to power following repeated appeals of the people and the leadership of the Azerbaijan People's Front, which had lost authority, and obtained a nationwide mandate on a multiple-choice basis at the time of the presidential elections, mustering 98.5 percent of the vote.

While today demonstrating hare-brained political schemes in the interview with the Moscow correspondent, S. Guseynov was undoubtedly at that time dreaming of many things. Not recognizing the democratic accession to power by way of elections, S. Guseynov cannot shake off the mentality of a person who gathers wool at farmsteads.

Having come to manage a wool-processing plant with the aid of mafia groups, S. Guseynov forgets that Azerbaijan is at the present time an independent state and that there is no need for career advancement now to be a "good person" for Moscow. And for this reason his statement about his Russophilia and the attempt thereby to win Russia's support point to his total moral and human collapse. Everyone in Azerbaijan regards a person with such a mentality with abhorrence.

I would like on this occasion to recall a personal civic example of our president Geydar Aliyev. During the most difficult days for Azerbaijan this man has always been with his people, and his conduct is a bright page in Azerbaijan's history. No crook can sully this page.

On the issue of attitude toward the CIS, the former "prime minister" surpassed himself. Showing himself to be a fervent supporter of the CIS, he accuses the esteemed president of another position, attempting to prove that he is opposed to Russia. This person evidently suffers from memory lapses and has forgotten that as a result of the foreign policy of Geydar Aliyev, weighed with masterful precision, the mistakes made by the former leadership of the republic in this sphere were eliminated and Azerbaijan joined the CIS, established relations with all states of the CIS, and, first and foremost, improved relations with Russia.

One wonders on what money S. Guseynov and his entourage, who have emigrated to Moscow, are living. In reality, however, there can be no doubts here. Even if we do not count what was acquired illegally, there would be people to support him. It is an incontrovertible fact that such a criminal personality as S. Guseynov and his advisers could not acquire political emigre status in a foreign state. But if the special services have a need for such a contingent of persons, why should they not be put on the payroll?

Speaking about the ransacking of his home in Gyandzha, S. Guseynov did not conceal his anger. At the same time, on the other hand, it is impossible to restrain one's anger when one understands on what money this home was built and in what ways the costly materials were obtained. It is legitimate to ask S. Guseynov: How can there be any sympathy if in the construction of the home he used unique species of trees protected by the state? In addition, no home was confiscated, it is simply that the weapons illegally stored in them were removed.

I would like at the end of my article to say a few words to my Russian colleagues: Gentlemen journalists, how would you view a prime minister of Russia who had, like S. Guseynov, betrayed the interests of the motherland? The answer is clear. It is superfluous to have to explain to you that the democracy and the mafia are different concepts, and the problems of neighboring states, their internal affair. For example, Azerbaijan is guided in its relations with various states by generally accepted international standards. And we adhere to these standards in relations with Russia also. Russia, which gave the world the Decembrists, Pushkin, Tolstoy, Sakharov, Kovalev... merits eternal respect and universal recognition.

I wish for the great Russia to be imbued with friendly concern for and sympathy with the pain and experiences of its small neighbor—Azerbaijan.

Georgia

Talks With Russia on Georgia's Territorial Integrity

LD2703154095 Tbilisi CONTACT INFORMATION AGENCY in Russian 1500 GMT 27 Mar 95

[FBIS Translated Text] Tbilisi [no date as received]—Georgian-Russian talks, which discussed Georgia's territorial integrity have ended in Sochi. The Georgian side at the talks was represented by Georgian Deputy Prime Minister Avtandil Margiani, Defense Minister Vardiko Nadibaidze, and other officials. The Russian side was represented by the Russian Federation's military delegation led by Russian Defense Minister Pavel Grachev.

According to preliminary data the talks were held in a constructive and businesslike atmosphere. The sides have discussed a number of specific steps for restoring Georgia's territorial integrity.

Explosion Interrupts Railway Traffic to Armenia

LD2803111895 Moscow INTERFAX in English 1044 GMT 28 Mar 95

[FBIS Transcribed Text] Tbilisi, Mar 28 (INTERFAX)—Railway traffic between Georgia and Armenia has been interrupted following an explosion near Sadakhlo near the Armenian border Monday evening, INTERFAX was told by the Georgian Interior Ministry press center.

The blast was conducted by a group of unidentified persons when a train of empty tanks was moving along the tracks. Two tanks overturned in the explosion, but the engine drivers remained unharmed.

Shevardnadze Edict on Power, Engineering Complex

LD2703183895 Tbilisi Radio Tbilisi Network in Georgian 1700 GMT 27 Mar 95

[FBIS Translated Text] Georgian head of state Eduard Shevardnadze has issued an edict on the coordinative service of the power and engineering complex of the Republic of Georgia. The edict envisages overcoming the grave power crisis in the republic, carrying out a single policy in the power and engineering complex, working out programs and concepts for the development of the power and engineering complex, and coordination with other spheres of the national industry.

Under the edict by the Georgian head of state, Revaz Arveladze had been appointed chief state coordinator of the Georgian power and engineering complex.

Ajarian Leader Warns of 'Destabilization'

AU2803193495 Tbilisi REZONANSI in Georgian 15-16 Mar 95 p 12

[Interview with Aslan Abashidze, chairman of the Ajarian Autonomous Republic Supreme Council, by Shota Zhorzholiani in Batumi on 11 March: "Aslan Abashidze: 'Everything Has Its Time'"]

[FBIS Translated Excerpt] The monologue by Maj. Gen. Gladishev, former commander of the Russian Army's 12th Base in Batumi, which was published in IZVESTIYA, astonished many people. However, the statements made by Aslan Abashidze, which appeared in MOSKOVSKIYE NOVOSTI, proved to be even more sensational.

From the very beginning, Aslan Abashidze has had good relations with the Russian military. Already at the time of Zviad Gamsakhurdia, following the attack upon him, Abashidze saw that the central authorities were unable to guarantee the safety of the Ajarian leader and formed a defense service. In order to win the trust of the Russians, he issued an order entrusting the Ajarian Ministry of Internal Affairs with halting any kind of attacks on Russian military units.

After the overthrow of Gamsakhurdia, regional leaders tumbled like dominoes. By means of Russian weapons and his own astuteness, Aslan Abashidze was not only able to hang onto his position but also strengthen it further. According to him, every rifle in the region is under his control. During the Abkhazian war, Russian Defense Minister Pavel Grachev arrived in Batumi; as early as on 3 February 1994, during Yeltsin's visit to Tbilisi, he publicly stated that everything was in order in Ajara.

Following these comprehensive defense measures, Abashidze calmly began to construct an opera house, tennis courts, and bridges.

Since the beginning of April 1991, Abashidze has frequently made statements about armed incursions into Ajara and possible attempts to liquidate him personally. During the time of the first attack, the family of the assailant who had been killed was met by Tengiz Kitovani [former defense minister] in Tsqaltubo following their escape from Batumi; Kitovani has often been mentioned by Abashidze as wanting to invade Ajara.

In the current situation, when Eduard Shevardnadze is constantly talking about turning Georgia into a transit country, it cannot be excluded that the intrigues directed against the Ajarian leadership are connected with some kind of economic interest.

The words "I shall get rid of Abashidze" [quotation published in Russian], which have been taken out of context and which, according to Abashidze, were uttered by Giorgadze [security minister] to a Russian colleague, only concerns the Ajarian leader, but no one says whom they had been planning to kill up to then or afterwards. Abashidze has stated publicly that he is concerned only with his own problem and, if anyone knows who else was mentioned, he should publicly say so himself. It should be stated here that Deputy Prime Minister Avtandil Margiani has denied that there was a conversation between Abashidze and Giorgadze at the meeting in Boboqvati on 11 July 1994, at which, according to Abashidze, Giorgadze did not deny saying these words to a Russian colleague. Ajarian Prime Minister Aleko Paghava, the second witness at the meeting, fully confirms what Abashidze said. It is now the turn of the third witness, the playwright Lasha Tabukashvili.

[Zhorzholiani] Batono [Georgian polite form of address] Aslan! What has forced you to make such a scandalous statement one year after the event?

[Abashidze] The information at our disposal concerning the destabilization of the situation in Ajara and the creation of a new hotbed of war here no longer gave us the right to keep silent as reactionary forces have one aim right now: to set Ajara against the central authorities so that they can blame the same central supreme power for kindling a new seat of tension and prepare the necessary ground for overthrowing it. However, this is not as easy as these forces think; no matter what means they employ, they will be unable to achieve their aim painlessly and will not achieve anything. Every action taken in this direction will rebound against them as the Ajarian leadership and population have supported and continue to support the head of state. This has often been confirmed in both word and deed.

When differences first arose between us, I spoke face to face with Igor Giorgadze, without anyone else being present. Then, the development of events forced me to speak to him again in the presence of witnesses. This took place in the summer of 1994 in Boboqvati. Three high-ranking individuals and also one well known public figure were present at this meeting. In their presence, Igor Giorgadze admitted, as during our first meeting, that he had told his Moscow course mate and colleague: "I'll get rid of Abashidze." At the time when we were on friendly terms, we were unable to get any convincing logical explanation from him as to what had forced him to say this, apart from the absurd assertion that he had the right to do this as an employee of the Security Service. One can ask: Who has the right to liquidate not only leading statesmen but also ordinary citizens or talk about doing so?! [passage omitted]

[Zhorzholiani] How did it happen that Gen. Gladishev and you delivered powerful statements via the press at the same time?

[Abashidze] Proceeding from reality, I believed, and still do today, that the existence of Russian Army bases on Georgian territory is one guarantee of preserving stability. As for our simultaneous sortie, this was not preplanned; simply, there has always been a certain harmony in our way of thinking and acting. We were motivated by one reason—peace in Ajara. We are still preserving it. [passage omitted]

[Zhorzholiani] Do you think that the Group of Russian Forces in the Transcaucasus and the Georgian Security Service would have dared launch a campaign against Gladishev and Abashidze without Moscow's permission?

[Abashidze] It is the unbridled ambitions and financial and economic interests of many of our foolish compatriots that lie behind the campaign that is currently being launched against us.

Man is the source of his own tragedy. Georgia's unworthy sons are the source of Georgia's tragedy. We should look for our enemy first among ourselves and not among others; otherwise how can a seed prosper if it is unable to find fertile soil. Let us not blame Moscow for everything. [passage omitted]

[Zhorzholiani] Why, after all, did you make your statement in the Russian press? Did the Georgian press turn you down?

[Abashidze] Immediately after the publication of Gladishev's monologue in IZVESTIYA, a MOSKOVSKIYE NOVOSTI correspondent asked me for an interview, to which I agreed. However, prior to this, in the presence of the leader of one party with a significant potential who had come here on party business and one senior Supreme Council employee, I had entrusted Deputy Badri Nakashidze, as a member of our Union for the Resurrection of All-Georgia, to raise this question for discussion at a session of the Georgian Parliament. I repeat this matter was to be raised first in our country's supreme body and not in the press, not even the Georgian press. In accordance with this assignment, he publicly blamed the Georgian Security Service for spreading disinformation about Ajara and deliberately refraining from interrogating the organizers of terrorist acts (who are now living in Tbilisi) committed against us with the aim of creating tension. In his speech, Batoni Nakashidze, for some reason, did not say everything; as he later explained, he considered that he had already clearly informed the members of parliament about everything. If we leave aside the current realities, the criminal indifference of the Georgian Security Service toward the organizers of the terrorist acts will clearly go down in history as a very revealing fact.

There undoubtedly have been and are forces in certain structures of Georgian power that are trying not only to conceal objective information about Ajara from the population, but also to spread disinformation in a purposeful way, using all available means.

Can one view as a matter of chance the fact that, in spite of our repeated requests to the appropriate state bodies, Ajarian television has not been allowed to transmit independently via central television either a daily live newscast about Ajara lasting a few minutes or even a weekly digest of news so that the Georgian population can obtain comprehensive firsthand information about current processes in our republic? It is a fact that broadcasting the truth about Ajara to the Georgian population does not suit many people.

The logical question arises: Why would we have said and shown something that would not have corresponded to Georgia's interests? For whom and what? If this had been our wish, do we not have our own press for this purpose or, if you like, state or party or our own television? This is simply a preplanned strategy aimed at creating an information vacuum in respect of one region or another. If we leave everything else aside, this has been proved by the fact that many of my speeches have been blocked. It is in this way that the country begins to break up—the historical disease of the Georgians is manifesting itself. As regards my interview to MOSKOVSKIYE NOVOSTI, it was published after Badri Nakashidze's speech in Parliament and contained the truth. Truth knows no boundaries. There exists no "Georgian" truth, "German" truth, "Russian" truth, or that of any other nation or nationality. Therefore, the truth cannot be restricted to the press of any one country. It is probably time to rid ourselves of the disease of hermetic thinking as it is precisely this that forms a barrier along the path of our harmonious merger with the civilized world.

[Zhorzholiani] Are the recent intrigues directed toward Ajara connected with the discovery of natural gas deposits in the Batumi region of the Black Sea?

[Abashidze] The discovery of natural gas deposits, the creation of a free economic zone in the port, and the views of scientists about the existence of oil deposits alongside those of gas in Ajara have stimulated the desires of very many people. The Georgian Government has, as yet, been unable to give the necessary attention to these new discoveries that are opening up the way to people obsessed with making money. Their wish is to get rid of that force, namely the Ajarian authorities, that will hinder them in using these natural riches for their personal aims. They know very well what the position of the Ajarian authorities is: These riches, which have been provided by God, should be used by the entire Georgian population without exception. Georgia's potential wealth will provide the opportunity for its people to live even today in a civilized way in a modern state and to be blessed with the good fortune that is currently the lot only of those living in highly developed countries.

Estonia

Zhirinovskiy To Visit Disputed Territories Along Border

WS2703142895 Tallinn BNS in English 1409 GMT 27 Mar 95

[FBIS Transcribed Text] Tallinn, Mar 27, BNS—Russian ultranationalist Vladimir Zhirinovskiy, leader of the Liberal Democratic Party [LDP], is to visit Russia's Pskov and Pechory regions at the beginning of April.

Victor Filatov, the party's press secretary, told BNS an LDP delegation headed by Zhirinovskiy is scheduled to visit the area April 5, after Zhirinovskiy's return from Libya.

The Russian ultranationalist leader's tour of territories that under the Tartu Peace Treaty of 1920 belong to Estonia is a noteworthy event in the light of his recent anti-Estonian statements in connection with the deportation of LDP activist Pyotr Rozhok from the Baltic state.

In a telegram to Estonian President Lennart Meri last week, Zhirinovskiy threatened "immediate, decisive measures against Estonia and its citizens living in the territory of the Russian Federation."

Rozhok 'Intends To Return to Tallinn Soon'

WS2803105195 Tallinn ETA in English 1721 GMT 27 Mar 95

["News Release"]

[FBIS Transcribed Text] Member of the Russian Liberal Democratic Party Pyotr Rozhok who was deported from Estonia on Friday [24 March] told his wife Nina Rozhok who lives in Tallinn that he intends to return to Tallinn soon.

Nina Rozhok told ETA that Pyotr Rozhok was received well in Moscow but according to Rozhok, he and his companions were under surveillance since the moment they arrived in Moscow. Rozhok spent the weekend out of town but returned to Moscow on Monday.

Nina Rozhok said she could not estimate the activities of her husband since she is far from politics. She had recommended her husband to leave Tallinn voluntarily but Pyotr Rozhok categorically refused. "He wanted to be deported publicly and by force," Nina Rozhok told ETA.

Nina Rozhok has submitted an application to the Tallinn City Court demanding that the decision to deport Rozhok from Estonia be reversed. Since it was an administrative complaint, the application was forwarded to the Tallinn Administrative Court. The Tallinn Administrative Court received the application on Monday but since the documents were faulty, the applicant was given time to correct the mistakes by April 13.

'Mutual Trade Interests' With Russia Discussed

WS2803105095 Tallinn ETA in English 1721 GMT 27 Mar 95

["News Release"]

[FBIS Transcribed Text] On Friday, a meeting of the representatives of the Polva and Voru counties and the Pskov region took place. The parties formed working groups to discuss mutual trade interests.

The border regions of Estonia and Russia have always been interested in mutual trade activities. The administrations of Pskov, Voru and Polva have repeatedly evinced interest in cooperation but in vain. Now it seems that things may work because the working groups will solve concrete problems of common interest.

The main problem in Estonian-Russian trade is the low purchasing power of the Russian residents (their salaries are three times lower than in Estonia). Besides, Russia has established severe customs restrictions.

Both parties are interested in the sale and purchase of agricultural products. Russia also agreed to sell metal to Estonian businessmen.

It was agreed that the Pskov administration would apply to the Russian administration for a special trade regime.

"The elimination of customs barriers is Russia's internal affair. The Estonian and Pskov delegations are in a sense pressure groups," deputy county governor of Polva Arvo Jaa told ETA.

However, the problems will be conclusively settled only through summit-level negotiations. According to Arvo Jaa, the deportation of Pyotr Rozhok from Estonia may prove a setback in trade relations.

Estonia, France Exchange Treaty Ratification Letters

LD2903094295 Tallinn Radio Tallinn Network in Estonian 1700 GMT 28 Mar 95

[FBIS Translated Text] Estonian President Lennart Meri and French Ambassador to Estonia Jacques Faure exchanged letters in Kadriorg today, on the ratification of the Estonian-French agreement on mutual understanding, friendship, and cooperation. The agreement was signed by Presidents Lennart Meri and Francois Mitterrand in Paris on 26 January 1993.

The president's press service notes that under the agreement Estonia and France are ready for active cooperation in all spheres. France will also assist toward Estonia furthering and strenthening its relations with the European Union. The Riigikogu endorsed the Estonian-French agreement on mutual understanding, friendship, and cooperation in June 1993. President Meri signed the letter of ratification in March of this year. The agreement will come into force in 30 days' time, which is 27 April.

Latvia

Gailis on Defense Minister Dismissal, NATO

LD2703213295 Riga Radio Riga Network in Latvian 2000 GMT 27 Mar 95

[Unattributed station commentary]

[FBIS Translated Text] Prime Minister Maris Gailis believes that Latvia has developed good cooperation with the NATO and western countries' military specialists, and that the country's policy in this area should not be changed. This was the view he expressed at a news conference, acknowledging that the work of the dismissed defense minister, Janis Arveds Trapans, in the international field was praiseworthy and recognized.

Meeting with Defense Ministry officials, Gailis informed them of the complex situation that served as the basis for the dismissal of Janis Arveds Trapans:

[Begin Gailis recording] The minister's work was not acceptable to me. Here I am thinking of discipline. It seems to me that discipline is one of the main qualities in the army, and if discipline cannot be expected from the defense minister, then undoubtedly it cannot but leave a negative impression on the defense structures. I was informed that Trapans, in seven months, had not met with senior officers, and I assume he had also not met with the staff either. I had to conclude that several very important things were not done.

First, the analysis of the threat was not completed. The defense concept was not worked out, the conditions of service for soldiers in the National Armed Forces were not confirmed, and, despite repeated warnings, official investigations were not carried out into why the draft concept for civil defense had still not been submitted to the Cabinet of Ministers. With all the funds allotted from the State budget, as well as the aid received from abroad, we do not have even a single fully trained and equipped combat company that is able to do combat duty, in contrast to the situation in our neighbor states of Lithuania and Estonia. I have no objection against the work he did in creating a team of advisers in attracting foreign consultants. I have no objections regarding support for the Partnership for Peace program. I have no objection regarding the orientation to the NATO. But it was far too little. [end recording]

The prime minister could not yet name a candidate for the post of new defense minister, but that will be disclosed in the near future. He was also asked about the reorganization of the work of the defense structures.

[Begin Gailis recording] There must be a very thorough examination of what has been done, what the personnel think, and what the heads of the ministry think. I do not think I should come out here with ready-made decisions reached in these four days since Mr. Trapans has been gone. Undoubtedly, reorganization is obviously necessary, and is already partially done. The arms administration is yet to be abolished, which is too large a structure, but that is a job that is prepared, which I fully support. In many places a staff reduction will also be necessary. The better it is the more funds we have for the armed forces, for weapons, for training people, rather than for the staff places that were recently not filled, which are nevertheless financed, or, say, the very big administrative structures. [end recording]

Denmark Supports Integration Into European Structures

WS2903100295 Tallinn BNS in English 1622 GMT 28 Mar 95

[FBIS Transcribed Text] Riga, Mar 28, BNS—Danish Prime Minister Poul Nyrup Rasmussen met Tuesday [28 March] with his Latvian counterpart Maris Gailis and promised to continue support for Latvian integration into European structures. Danish policy toward Latvia and the Baltic states as a whole will remain unchanged, and Denmark is not planning to decrease its volume of financial assistance to Latvia.

The Danish Government leader noted that the possibility of a visa-free regime between both countries is currently under discussion.

The prime ministers also discussed cooperation in the defense sphere and assistance to the Baltic Peacekeeping Battalion.

Senior officers of the Latvian Armed Forces could also expand their knowledge in a Danish military academy.

Rasmussen and Gailis noted that agreements on cooperation in justice, education and culture should also be signed.

Gailis asked for Danish support in Latvia's attempts to become an associate member of the European Union faster and then later promote the ratification of the respective Latvian-EU agreement in the Danish parliament.

Additionally, Gailis invited Demark to invest funds in Latvian-Danish joint ventures and, as an example of specific economic cooperation, mentioned the joint venture with the SAS airline.

Kurdish, Palestinian, Afghan Refugees Arrive From Russia

LD2803184495 Riga Radio Riga Network in Latvian 1700 GMT 28 Mar 95

[FBIS Translated Text] About 100 Kurdish, Palestinian, and Afghan refugees—who for five days now have been travelling through Latvia from St. Petersburg to Vilnius and back—have entered Latvia from Russia, a spokesman for the border guards brigade has reported. The Latvian border guards were told of the illegal arrival of the group of refugees from Russia by the Lithuanian border guards, indicating the previous locations of the Kurds, Palestinians, and Afghans. This list was given to the Lithuanian border guards by a certain Russian organization. It is planned that the information received from Lithuania will be handed over to the Russian border guards as well, and the refugees will be dispatched to Russia on the next transit train.

The Lithuanian Foreign Ministry today presented a note to the Latvian Embassy in Vilnius, asking the Latvian [word indistinct] to devote attention to the problem of refugees on the two countries' border. The note says that on 24 March a group of Kurdish refugees from Latvia—on grounds of health—illegally crossed the Lithuanian border. The Lithuanian border guards service sent the refugees back on the same day.

Attempts to dispatch the refugees from Latvia to Russia, crossing Lithuanian territory, were repeated on 25, 26, and 27 March.

Until there is a signed agreement between Lithuania and Latvia on refugees, the Lithuanian Foreign Ministry proposes that Lithuania be warned in advance of similar cases that persons who have entered illegally are being conveyed in transit through Lithuanian territory to a third country, on the condition that guarantees are given that the persons are being dispatched [word indistinct]. The Cabinet of Ministers today heard a report from a Foreign Ministry spokesman on the issue of the detained refugees and charged the Foreign Ministry to prepare a special statement on this issue. As we have already reported, 105 Kurds, Afghans and Palestinians—who on 23 March were detained by the Kaliningrad Border Guards at the Nesterovo checkpoint—had by today at least nine times crossed Latvian territory on trains travelling from St. Petersburg to Vilnius and back. The refugees are currently at the Lithuanian border.

Lithuania

Danish Ties Highlighted as Rasmussen Arrives

LD2803155295 Moscow INTERFAX in English 1452 GMT 28 Mar 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zher[illegible]tsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Prime Minister Adolfas Slezevicius has put Denmark among the countries which "are giving the greatest support" to Lithuania's economic reforms.

Denmark has already lent Lithuania about $50 million and is ready to help the Baltic country build four refrigerator ships, a project worth some $90 million, Slezevicius told a news conference he gave jointly with his Danish counterpart, Poul Nierup Rasmussen, currently visiting Lithuania.

Rasmussen, for his part, said the two countries' cooperation potential is "far from exhausted" and that his government was determined to continue helping Lithuania in such fields as construction of environmental protection facilities, telecommunications and transport.

He said that in May Lithuania would become an associate member of the European Union and that his government "will continue to make efforts to speed up the integration of all Baltic countries into European structures, both into the European Union and into NATO."

According to Slezevicius, "there are no problems left to prevent the initialing and signing of a treaty on the associated membership of Lithuania in the European Union."

Rasmussen, answering a question by Interfax, said his government would use "all means" to help Lithuania join NATO. But "the admission of each country will be considered individually. Account will be taken of how successfully it participates in (NATO's) Partnership for Peace program," he added.

He said he had specially urged Lithuanian leaders to stabilize relations with Russia, for that "is important for successful integration into European structures." He also praised Lithuania for its "pragmatic approach" to the issue of Russian military transit to the Kaliningrad Region, a Russian exclave on the Baltic.

Slezevicius responded that, although "today the danger that comes for Lithuania from Russia has increased," his country would go on trying to normalize its relations with all its neighbors, including Russia.

On Tuesday, Rasmussen arrived in Latvia. During his two-day visit to that country, he is due to meet President Guntis Ulmanis and Prime Minister Maris Gailis chiefly to discuss with them prospects for Latvia's further integration into European and Trans-Atlantic bodies.

Committee Postpones Deportation of Russian Deserters

WS2903124595 Tallinn BNS in English 0928 GMT 29 Mar 95

[FBIS Transcribed Text] Vilnius, Mar 28, BNS—The Lithuanian parliament's Human and Civil Rights Committee decided Tuesday [28 March] to advise the Migration Department not to deport two Russian deserters until they meet their mothers and representatives of Russian human rights organizations.

MP Rimantas Markauskas, a member of the Lithuanian committee, said lawmakers want to solve the problem in a way that would be least painful to the fugitives.

Two unarmed Russian soldiers were detained in Lithuania Saturday. Aleksandr Vaselkov and Ruslan Kurdiukov, both 18, said they seceded from their Baltic

Sea Fleet unit in the neighboring Kaliningrad region to avoid being sent to Chechnya.

The two received temporary asylum in Lithuania until their fate is decided by lawmakers and officials. However, Lithuania is not considering the possibility of granting political asylum, because the country does not have a law on refugee status.

Meanwhile, the Russian ambassador in Vilnius, Nikolay Obertyshev, on Tuesday asked Lithuanian Deputy Foreign Minister Albinas Januska to arrange a meeting with the soldiers and also to extradite them to Russia.

Sergey Zagryadskiy, the Russian consul in Vilnius, earlier said that the deserters' fate depends on the military but not the embassy. "A colonel will come from Kaliningrad and will take them away," the Russian diplomat said.

Almantas Gavenas, assistant director of the Migration Department, said the department follows the development of the problem but does not yet participate in solving it. The department will act "in accordance with the law" when a decision is taken, he said.

Lithuania and Russia have an effective legal assistance treaty, which obliges both countries to extradite persons under prosecution and who face imprisonment of over one year. The two Russian soldiers may face even stricter punishment for breaking the oath of enlistment and desertion.

Fate of Asian Refugees Blamed on 'Latvia's Position'

WS2803093895 Tallinn BNS in English 1830 GMT 27 Mar 95

[FBIS Transcribed Text] Vilnius, Mar 27, BNS—Some 100 refugees from Asian countries on Monday [27 March] again arrived at the Turmantas railroad station in northeast Lithuania on a train bound for Ukraine.

The group, which includes Kurdish, Palestinian and Afghan refugees, came to Lithuania and was detained for the fourth time since Friday. The illegal immigrants had been sent to Russia via Latvia three times, but Russian border guards always forced them back on trains bound for Latvia.

On Monday, a car with the group was disconnected from the train at Turmantas. The refugees were locked up in the station building.

Lithuanian officials say the problem occurred because of Latvia's unfriendly position. "The problem has been thrust on Lithuania," Almantas Gavenas, deputy director of the Lithuanian Migration department, told BNS.

He noted that such problems should be solved on the basis of a government agreement on migration policy. However, Estonia, Latvia and Lithuania intend to sign such an accord only in late April.

Lithuanian migration officials say there is reliable information that before Lithuania, the refugees had spent quite some time in Latvia, which later simply got rid of them.

If it were not Latvia's position, the problem would have been resolved long ago, Gavenas said. He also emphasized that there are ways to sent the refugees back to Russia with a migration agreement.

Lithuanian authorities intend to put the group on a St. Petersburg bound train again on Tuesday.

Note Protests 'Forcible Deportation' of Refugees

LD2803120795 Moscow ITAR-TASS in English 1127 GMT 28 Mar 95

[By ITAR-TASS correspondent Vladas Burbulis]

[FBIS Transcribed Text] Vilnius March 28 TASS—Some 105 Kurds, Afghans and Palestinians have been unable to get to their destination in Scandinavia for more than a week because Lithuania, as well as other Baltic states and CIS member-countries cannot agree on procedures of sending them on. Today, for example, they are at the Lithuanian border railway terminal of Turmantas, where they were sent back by Russian frontier guards from the train, going from St. Peterburg to Truskavets, Ukraine.

The refugees are trying to penetrate into the West via Latvia and Lithuania. Most of them received passports and visas in Russia. The documents they have on them, as well as their stories, make it clear that they lived for some time in Latvia, Russia and Belarus. It is the fourth time this group of refugees has been forcibly brought to Lithuania. The local authorities invariably send them either to Latvia, or to Russia, or to Belarus, from where they are again deported to Lithuania, which does not know what to do with them.

The refugees include children, old people and women. Many of them are seriously ill. On Monday, soon after the train came to Turmantas, a Kurdish woman had a baby right at the railway terminal. She was given medical assistance. Locals brought food to the refugees.

The solution of the problem is taking so much time and effort, because agreements between the Baltic states, Russia and other CIS member states, regulating the procedure for deporting the people who illegally crossed the state border, have not been signed yet, ITAR-TASS learned from a reliable source at the Lithuanian Foreign Ministry.

Today the Lithuanian Foreign Ministry sent a note to the Latvian embassy in Vilnius, protesting against the forcible deportation.

Republic Prepares To Legalize Refugee Status

WS2903124695 Tallinn BNS in English 0928 GMT 29 Mar 95

[FBIS Transcribed Text] Vilnius, Mar 28, BNS—There are no refugees in Lithuania yet, while Asian and African citizens detained in the country can be regarded only as illegal immigrants, say migration experts.

This year, Lithuanian authorities have already detained and deported 340 people from different Asian and African countries, who attempted to reach the West through Lithuania. A law on refugee status, currently under preparation, is expected to considerably reduce the transit of illegal immigrants to Scandinavian and Western European countries.

MP Rimantas Markauskas, a member of the parliament's Human and Civil Rights Committee, said the parliament intends to adopt a law that will conform to the principles of the Geneva convention on refugee problems.

After the law is passed, illegal immigrants in Lithuania will no longer be able to ask for asylum in the West, the lawmaker said. Under the Geneva convention, refugee status cannot be granted to a person who arrives from a country where such status exists.

But officials say it is unlikely that Lithuania will be flooded with refugees, because the country is too poor for them.

After Lithuania restored its independence in 1990, several persons asked for political asylum, including two Georgian lawmakers, who later left for Holland, the former head of Georgian TV, who is still waiting for the law on refugees to be passed, and two Russian deserters, who were detained last week.

Markauskas told reporters Tuesday that Lithuania will legalize refugee status in May or June. The Lithuanian law on refugees would be the first in the Baltic states. The draft is presently under discussion in parliamentary committees.

Vladimiras Grazulis, a representative of the Social Security Ministry, said the implementation of the law, which is to be completed by the end of 1996, will cost Lithuania around 12 million lits (USD3 million). Grazulis, who headed a working group that drafted the law, said Scandinavian countries have already promised consultations and material assistance.

Slezevicius Comments on Local Election Results

LD2803154495 Moscow INTERFAX in English 1452 GMT 28 Mar 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Prime Minister Adolfas Slezevicius has described the results of last Saturday's local government elections as "quite logical."

According to preliminary returns, 428 of 1,488 seats on the country's local councils - the largest proportion - have gone to the opposition Fatherland Union. The Democratic Labor Party, led by Slezevicius and forming the majority in parliament, won 297 seats, the Christian Democratic Party 247, and the Peasant Party 101.

"Any other results could hardly have been expected" in light of today's economic situation, Slezevicius told Interfax in an exclusive interview. "Stopping the economic decline, for which the government was forced to use unpopular measures, has not meant any positive changes for the population of Lithuania," he said.

The prime minister said his forecast that the Democratic Labor Party would get between 15 and 20 percent of votes had come true. He said "more optimistic" forecasts by members of his party might have materialized if the electorate had shown a higher turnout than the estimated one of 45 percent.

But he was somewhat skeptical about the Fatherland Union's success. "I don't think the conservatives' victory is as big as the (Union) leaders assert, if one bears in mind that 11 or 12 percent of all citizens with voting rights voted for them," he said.

Commenting on a statement by Fatherland Union chairman Vytautas Landsbergis, who said on Monday that the parliamentary opposition, which he leads, would press for an early parliamentary election and "the creation of a coalition as broad as possible to isolate the Democratic Labor Party of Lithuania," Slezevicius said there was "nothing new" about this. "Since their defeat at the last parliamentary election in November 1992, Landsbergis and his supporters have done nothing else than pursuing a policy of isolation and pressing for an early election," the premier said.

IF Note: Landsbergis told a news conference in Vilnius that his party had first issued a call for an early election long ago and that lately it had proposed that the local government elections be held simultaneously with a parliamentary one. He said the leftists suffered a "more crushing defeat" on Saturday than the rightists did at the 1992 parliamentary election.

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